CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, MARCH 19, 2018
5:00 P.M.

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

A. 2. PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER JASON SOFEY

A. 3. INVOCATION BY COUNCIL MEMBER JASON SOFEY

A. 4. APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF FEBRUARY 28, 2018, AND THE REGULAR CITY COUNCIL MEETING OF MARCH 5, 2018

Public Hearing

B. 1. PUBLIC HEARING
Amendment to Agreement with Texas Instruments Incorporated for the Abatement of Ad Valorem Property Taxes for Equipment within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas

B. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6101
Designating a Certain Area as Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance

B. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6102
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow a Two-Family Dwelling (Duplex) in a C-1 (Retail Business) District/Central Business District at 205, 209 and 211 East Jones Street, being part of Lot 7, Block 14, Original Town Plat (OTP) (Gerarado and Jemima Anguiano and Jesus Pacheco, Owners); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed $2,000.00

B. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6103
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the SF-1 (Single Family Residential) District in the 200 block of Hilre Drive and the 4900 block of Knollwood Road, being Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One (Young Enterprises, LP, Owners; and Helvey-Wagner Surveying, Inc., Surveyor)

B. 5. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6104
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the C-O (Office) District at 1200 North East Street, being 0.316 acres in the J.B. McAnair Survey, Abstract No. 763 and being all of Lots 1 and 2, Block 2, Kerr's Bloomfield Addition and a 40' x 145' tract of land (KS & D R3, LLC, Owners; Terrin Bertholf, Representative; Austin Hoover, Designer; and Helvey-Wagner Surveying, Inc., Surveyor)

B. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6105**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-2 (Multi-Family Residential) District in the 200 block of West Lake Street and West Forest Avenue and the 1700 block of South Elm Street and South Crockett Street, being all of Block 6 of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition (R2 Concepts, LLC, Owners; Alejandro H. Pena, Jr., Designer; and Preston Trail Land Surveying, Surveyor)

Close Public Hearing and Consider Adoption of Ordinances

B. 7. **ADOPTION OF ORDINANCES**
Consider Adoption of Ordinance Numbers: 6101, 6102, 6103, 6104 and 6105

B. 8. **CONSENT AGENDA**
Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Resolutions

C. 1. **RESOLUTION NO. 6350**
Authorizing Execution of an Amendment to the Agreement with Texas Instruments Incorporated for an Extension of the Abatement of Ad Valorem Property Taxes for Improvements within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas

C. 2. **RESOLUTION NO. 6351**
Approving and Supporting the Issuance of a Law Enforcement Academy License from the Texas Commission on Law Enforcement (TCOLE) for the Creation of a Law Enforcement Academy at the Sherman Police Department; Providing for the Appointment of an Advisory Board; and Authorizing the Submission of an Application by the Chief of the Sherman Police Department or His Designee

C. 3. **RESOLUTION NO. 6352**
Awarding a Bid to and Authorizing Execution of a Contract with Highway 19 Construction, LLC based on an Invitation to Bid for Construction of the Sherman Streetscapes Phase II 2018 Project

C. 4. **RESOLUTION NO. 6353**
Authorizing Execution of an Interlocal Agreement between the City of Sherman and the Choice Partners Purchasing Cooperative, a Division of the Harris County Department of Education

C. 5. **RESOLUTION NO. 6354**
Authorizing the Purchase of Furniture and Shelving for the Sherman Library Renovations Project from Library Interiors of Texas, LLC, through the Choice Partners Purchasing Cooperative, a Division of the Harris County Board of Education

C. 6. **** RESOLUTION NO. 6355***
Awarding a Bid to and Authorizing Execution of a Contract with Atlas Utility Supply for the Purchase of Water Meters for the Customer and Utility Services Department

C. 7. **** RESOLUTION NO. 6356***
Authorizing the Purchase of a New Heil DP Python Body for the Solid Waste Department from Heil of Texas through the Texas Local Government Purchasing Cooperative (BuyBoard)

C. 8. **** RESOLUTION NO. 6357***
Authorizing the Purchase of a 2019 Autocar ACX64 and Related Equipment for the Solid Waste Department from HGAC through the Texas Local Government Purchasing Cooperative (BuyBoard)

Requests to Advertise

D. 1. **REQUEST TO ADVERTISE**
Contracting with a Construction Manager-at-Risk (CMAR) for Construction of the Pecan Grove Athletic Complex

Other Business

E. 1. **OTHER BUSINESS**
Accept Annual Audit Report for Year Ended September 30, 2017 from Adami, Lindsey and Company, L.L.P.

E. 2. **OTHER BUSINESS**
Receive Presentation from Huitt-Zollars, Inc. on the Draft Grayson County Thoroughfare Plan

E. 3. **OTHER BUSINESS**
Receive Presentation from Community and Support Services Manager Nate Strauch regarding the "Neighborhood Refresh Initiative"

E. 4. **OTHER BUSINESS**
Setting the Public Hearing on a Proposed Agreement with West Moore Solar, LLC/West Moore Solar II, LLC, for the Abatement of Ad Valorem Property Taxes for Improvements within Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas

E. 5. **** OTHER BUSINESS***
Consider Request of the 2018 Earth Day Planning Committee to Temporarily Close Certain Streets for the "10th Annual Earth Day Festival" on Saturday, April 21, 2018

E. 6. **OTHER BUSINESS**
Site Plan Approval under Ordinance No. 2252, Article IV, Section 410(2)(j) to allow Sherman Fire Station #4 in the Blalock Industrial Park; Sherman Economic Development Corporation, Owners; City of Sherman, Prospective Buyer; EIKON Consulting Group, Architect; and Michael Tubiolo, Representative (3117 Northgate Drive)

E. 7. **OTHER BUSINESS**
Replat Approval of Progress Park One, Northgate Drive, Phase Four, Lots 4, 5 and 6, Block 1, being all of Lot 1, Northgate Business Park, Phase 2 and all of Lot 1, Block 1, Progress Park One, Northgate Drive, Phase 3, containing 29.8652 acres in the Elizabeth Jones Survey, Abstract No. 625; Sherman Economic Development Corporation and Southeastern Freight Lines, Inc., Owners; and Brockette/Davis/Drake, Inc., Surveyor (3117 and 3209 Northgate Drive)

E. 8. **OTHER BUSINESS**
Replat Approval of Ridgeview Court Estates, being 19.568 acres in the William Thompson Survey, Abstract No. 1210, also being Lots 1-15, Ridgeview Court Estates; S&P Texoma Real Estate, Owner; and Underwood Drafting & Surveying, Surveyor (100-400 blocks of Ridgeview Road)

E. 9. **** OTHER BUSINESS***

Replat Approval of Carriage House Estates, Lot 3R, being a Replat of part of Lots 2 and 3 in the Carriage House Estates Addition, being 1 acre in the William Thompson Survey, Abstract No. 1209, also being a portion of Lots 2 and 3 of Carriage House Estates; Norberto and Lisa Galarza, Owners; and Preston Trail Land Surveying, Surveyor (2214 Carriage Estates Road)

E. 10. **** OTHER BUSINESS***

Final Plat Approval of Quail Run, Phase Two, being 20.429 acres in the Elizabeth Jones Survey, Abstract No. 625; 1417 Land Holdings, LLC, Owners; 300 Sherman, LP, Developer; Greg Edwards Engineering Services, Inc., Civil Engineer; and Preston Trail Land Surveying, LLC, Surveyor (4700-5200 blocks of Quail Run Road and Cormorant Drive)

E. 11. **** OTHER BUSINESS***

Final Plat Approval of Calverley Addition, being 1.475 acres in the Elizabeth Jones Survey, Abstract No. 625; Tracy and Debra Calverley, Owners; and Underwood Drafting and Surveying, Surveyor (3412 West Houston Street)

E. 12. **** OTHER BUSINESS***

Replat Approval of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, being a part of the James H. Clark Survey, Abstract No. 273 and being a Replat of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One; Young Enterprises, LP, Owner; and Helvey-Wagner Surveying, Inc., Surveyor (200 block of Hilre Drive and 4900 block of Knollwood Road)

E. 13. **** OTHER BUSINESS***

Replat Approval of Pond Meadows, being a Replat of Lots 40, 41, 42 and part of Lot 43 of Highland Meadows Estates Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being a part of the Winfred Bailey Survey, Abstract No. 64 and being all of Lots 40, 41 and 42 and part of Lot 43 of Highland Meadows Estates Addition, containing 8.260 acres; Bonnie Giglio, Owner; and Underwood Drafting and Surveying, Surveyor (1000 block of Ridgeview Drive)

E. 14. **** OTHER BUSINESS***

Final Plat Approval of Wise Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being 1.108 acres in the William H. Pulliam Addition, Abstract No. 958; Danny Joe Tollison, Owner; Kenneth and Mary Wise, Applicant/Developer; and Underwood Drafting and Surveying, Surveyor (4400 block of Leslie Lane)

F. CITIZEN REQUESTS

G. MEDIA QUESTIONS

Consider Board/Commission Appointments

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

(a) Main Street Advisory Board (3)

I. COUNCIL COMMENTS

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

Executive Session

J. 1. **EXECUTIVE SESSION**

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

Section 551.071	Consultation with City Attorney concerning Pending or Contemplated Litigation
Section 551.071	Consult with the City Attorney on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this Chapter
Section 551.087	Deliberation Regarding Economic Development Negotiations: (a) Deliberate Regarding Commercial or Financial Information that the City has Received from a Business Prospect and Deliberate any Offers or Incentives to the Business Prospect

The Council reconvenes into General Session

K. 1. **OPEN MEETING**

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

L. **ADJOURNMENT**

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on March 15, 2018 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 15th day of March, 2018
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.

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

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	Pamela L. Howeth	Willie Steele, Council-At-Large, PL #1	Josh Stevenson, Council – District #2
		Jason Sofey, 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: 03/19/2018

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF FEBRUARY 28, 2018, AND THE REGULAR CITY COUNCIL MEETING OF MARCH 5, 2018

Attachments

February 28, 2018 - Called Meeting

March 5, 2018

Health Fund Update

STATE OF TEXAS §

February 28, 2018

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Called Meeting of the Sherman City Council was begun and held in the City Council Chambers on February 28, 2018.

COUNCIL MEMBERS PRESENT: Mayor David Plyler.
Council Members Holland, Sofey, Steele, Stevenson, Teamann.

COUNCIL MEMBERS ABSENT: Deputy Mayor Pam Howeth.

CITY STAFF PRESENT: Robby Hefton, City Manager; Steve Ayers, Assistant City Manager; Brandon Shelby, City Attorney; Terrence Steele, Director of Administration; Scott Shadden, Director of Development Services; Nate Strauch, Community and Support Services Manager; Pam Cloer, Assistant to the City Manager; Linda Ashby, City Clerk.

PURPOSE:

Call to Order, Quorum Determined, Meeting Declared Open

Invocation by Mayor David Plyler

Council Member Training Workshop Conducted by E. Allen Taylor, Jr., Founding Partner of Taylor, Olson, Adkins, Srala and Elam, LLP

Council Comments

Adjournment

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 11:07 a.m., declared a quorum present, and opened the Called City Council Meeting.

INVOCATION BY MAYOR DAVID PLYLER

COUNCIL MEMBER TRAINING WORKSHOP CONDUCTED BY E. ALLEN TAYLOR, JR., FOUNDING PARTNER OF TAYLOR, OLSON, ADKINS, SRALA AND ELAM, LLP

Robby Hefton, City Manager, introduced E. Allen Taylor, Jr., Founding Partner of Taylor, Olson, Adkins, Srala and Elam, LLP. Mr. Taylor presented a training session to the City Council last year, and Mr. Hefton said some changes were actually made after that meeting. He said today's training will cover practical things and will serve as a refresher.

Mr. Taylor urged Council Members to consider the background of their speakers and said he is a City lawyer and his firm represents 39 different cities. He has a Master's Degree in Urban Planning and a Master's Degree in Public Administration. Depending on their own environment, a speaker is a product of their education and their experience, and they present things from their point of view. He said he presents things from a City Attorney's perspective.

His discussion generally covers three areas, zoning or land use regulations, governance as it relates to managing the Council Member's role in the regulatory process, and subdivision regulations.

One thing a Council is responsible for is making land use decisions in the City. This is done through land use regulations, land design regulations, and construction regulations. He said land use regulations are the most dangerous, and flow from zoning and problems of urbanization. Mr. Taylor said zoning is a regulatory structure in which a City divides itself into districts and determines the use or uses of land and buildings within that district.

A zoning district consists of a map that delineates the districts and the text that outlines the rules and performance standards that govern those districts. The text also outlines the procedures for making changes in those districts.

In Texas, zoning must be based on a Comprehensive Plan and is a "tool" that is used to implement the development process. The Comprehensive Plan outlines the aspirations of the community in the intermediate to long range future of the City. Zoning must be consistent with the Comprehensive Plan, but does not have to be a "mirror image" of the Plan. They are concepts, not detailed, boundary areas. If challenged, the courts will look for "conceptual consistency." As long as there's a logical relationship between the zoning and the Comprehensive Plan, and it can be explained, it will be sustained by the court.

Mr. Taylor said there are many factors that can be considered when determining zoning, however the courts have said that there is no mathematical formula that cities are required to use when evaluating how these factors play into a zoning decision. Zoning is a subjective, discretionary, legislative act and each City zones to implement its Comprehensive Plan. Every City has a different Plan and what works for one City won't work for another.

Each City decides what is important to them, however there are some pre-emptive constraints. For example, a City cannot regulate State or Federal activities with its zoning ordinances. They are the superior levels of government. This pre-emption would apply to a Federal building or a State-owned building. However, if the State leases a building for one of their offices, zoning laws would apply. Ownership is determined by the identity of the landlord not the occupant. If they lease, they only have the rights of a tenant.

Mr. Taylor said there is also a school pre-emption. Education entities have the right to select the location of a school and the character of the use, even locating a school, vocational facility, bus barn, or football stadium in a residential area. However, once they select the site and say what it will be used for, all of the performance regulations of the City control it. The City regulates the land use impacts, even though the School District regulates the site selection and says what the "character" will be.

He emphasized that this requirement applies to public educational facilities, but not private schools. Private schools are subject to all the City's zoning controls.

Mr. Hefton said the City redid the Comprehensive Master Plan in 2008 / 2009. The Plan included various modules such as Neighborhood Revitalization, Land Use, Parks, and Economic Development. Since that time, the City has updated parts of the Master Plan, such as the Parks Master Plan, which was a module to the original Plan.

He said the City updates the Zoning Map a couple of times each year. Mr. Taylor said the City could amend the Land Use Master Plan mapping at any time the Council chooses. It is adopted by ordinance. The law now requires that the Master Plan be adopted by ordinance, not resolution. But if the City is doing interim revisions to the Master Plan, such as component updates, the Council can approve an amendment to the Master Plan Map to incorporate the new changes.

Mr. Hefton asked if the law laid out what procedures needed to be done to update the Master Plan Map. When the Master Plan was done 10 years ago, community input meetings were held. He verified that the amendments do not have to be handled that way. Mr. Taylor said there are specific requirements and notices that must be done with zoning changes. There is nothing in the Master Plan Statue with those requirements. It says a Master Plan must be adopted by ordinance. There is no formal public hearing requirement.

He explained that zoning has specific boundaries and confers property rights. A change in zoning can either grant or remove rights. A Master Plan change is a change in a plan or concept, not a regulation.

Mr. Taylor also discussed express statutory pre-emption. The State Legislature has adopted a number of statutes that limit a City's right to regulate. One of these deals with alcohol regulations. In 1987, the Legislature held a comprehensive update of all alcoholic beverage regulations and adopted the Texas Alcoholic Beverage Code. They set a statewide procedure for registering people to sell alcohol and established rules and regulations for the sale of alcohol.

Over the years, many cities have attempted to establish other rules and regulations for alcohol sales based on community values. The Legislature adopted a pre-emptive rule saying no local government can adopt any regulation, after 1987, unless it is a mirror image of the Texas Alcoholic Beverage Code. A City with regulations in place prior to 1987, can continue to enforce them. Mr. Taylor reiterated that this was express pre-emption. He said a City can weaken the existing rules, but not make them stronger than the State's rules. He urged Council Members that if they have any more restrictive rules in place, to think "long and hard" before changing them.

The State has also adopted pre-emptions on regulating billboards or signage along major State or Federal highways. There are also some "weird limitations" on operating sexually oriented businesses in rural areas. There are regulations on the ability to limit pawn shops. A City cannot adopt a regulation that treats a pawn shop differently than any other commercial retail business.

Mr. Taylor said there is also some pre-emption that deals with modular and manufactured housing. He urged Council Members to be very careful with regulations on these types of homes, as well as mobile homes. If a Certified HUD Inspector is employed at the manufactured housing factory, who inspected each home one time during the construction process, then they were no longer a mobile home, but a manufactured home. Then the City's ability to regulate their location in a community, was far more limited. The Legislation also determined that a modular home can "go anywhere" in Texas, where a "stick-built" home can be located. A mobile home in two sections, such as a "doublewide" that can be bolted together, is considered a modular structure under the Occupation Code.

Council Member Stevenson arrived at the meeting at 11:42 a.m.

Mr. Taylor said the aforementioned pre-emptions are the direct pre-emptions. There are also some legal theory pre-emptions. One of these is spot zoning. Spot zoning is zoning that is applied to a property that is inconsistent with the Comprehensive Master Plan and confers a zoning classification that doesn't match the Plan, and can't be logically explained. He added that size of the spot zoning does not matter, it can be a huge lot. There are many legal presentations about spot zoning, which is an unequal treatment issue under the Constitutional theory of equal protection and application of the law.

Contract zoning is another type of theoretical pre-emption. He explained the difference between a developer that may want to do things in his development a little different, such as smaller rear yards, community green space, or walking trails within the development, and actual contract zoning. This developer would present a development plan, including a set of covenants, declarations, or

restrictions. When the City approves the planned development district, they would approve the actual plan and it would become a part of the zoning ordinance. The City "traded" the standard template performance standards for other amenities that the City would like to have.

Actual contract zoning is an impermissible delegation of legislative authority for a future event. He gave examples of contract zoning that were not permissible. Contract zoning is when Council Members try to make a deal on an item that is not jurisdictionally in front of them and would have to come back at a future date, perhaps under a new City Council, for a decision. This would bind a future Council and is not permissible.

If an issue is jurisdictionally in front of the Council and they are being asked to take final action on the issue, it is not impermissible contract zoning. The Council would not be taking away the legislative discretion of a future Council. They are making a decision that this Council is empowered to make right now.

The last pre-emptive issue is exclusionary zoning. Exclusionary zoning is a "tripwire" on the Federal Fair Housing Act. A City cannot exceed the authority of a local government by violating a tenant's First Amendment rights in the United States Constitution, such as the freedom to decide where they will reside. No local government has the right to construct an artificial barrier to that right, absent the showing of a compelling public necessity.

In order to ensure that cities understood how seriously they meant it, the Federal Government developed a rule of implementation. If they find by fact, and then law, that a City has engaged in exclusionary zoning, they invalidate the City's entire land use regulatory structure, assuming that it is contaminated by the impermissible motive. They strike the entire zoning ordinance and take away the City's authority. Mr. Taylor reiterated that a City must have a defensible reason as to why they do something.

When the City is looking at a regulatory action, Mr. Taylor urged them to always be aware as to whether there are any consequential results of the decision that they may need to think about before the decision is made. The Council must have a legal, defensible explanation as to why they're doing what they're doing.

City Council Members took a break from 12:04 p.m. to 12:12 p.m.

Mr. Taylor spoke on how to manage the City Council's role. In a home rule City, the Council must appoint a Zoning Commission that serves "at the pleasure" of the City Council. Members of the Commission can be removed for lack of confidence.

The City has the right to initiate a zone change on any piece of property, based upon a "compelling need" even if the property owner does not do so. A notice would be sent to the owner and those within 200 feet of the zone change. Letters would need to be sent and notification would be needed for the public hearing, advising the public of the nature of what is being purposed. The Zoning Commission then convenes the public hearing. Mr. Taylor recommended that the staff present a general, factual presentation on the zone change prior to comments from the audience.

He said the Commission, as well as the City Council, should follow Roberts Rules of Order, "in a general sense." Roberts Rules are a general guide for the management of parliamentary systems. They are "not gospel" and they do not control. Their only purpose is to bring order out of a public debate and conversation.

During the public hearing, anyone that wants to speak should have the opportunity to speak. The Zoning Commission and the City Council can enforce time limits for the speakers, if they desire. They

do have to allow affected persons "a reasonable opportunity" to present their position. Most cities that have a time limit, allow between three and seven minutes per speaker, and the same rule must be applied to all speakers for the same agenda item.

Normally cities allow, and the courts recognize, the need to give the applicant a longer window to speak, if the circumstances justify it. It may be hard to fully explain the request in the time allotted. The applicant bears the burden of proof or persuasion and they must be able to fully explain their proposal. The status quo is the existing zoning map and the existing zoning ordinance.

After everyone else speaks, normally the applicant is allowed the opportunity to present a short rebuttal. Since the applicant has the burden of proof, they are allowed to answer the questions or complaints that were presented against their request.

After the public hearing is closed, the Planning and Zoning Commission will discuss the request and take a vote on the item. They can recommend approval, they can recommend denial, or they can recommend modifications. The Planning and Zoning Commission's obligation is to "make a report or recommendation" of their discussion. Then it goes to the City Council for a public hearing and for consideration.

Mr. Taylor reminded Council Members that zoning is a legislative process, and it is not illegal for them to be "lobbied" on the issue by the applicant. If they choose not to, the Council does not have to meet with them. He urged them to be careful about how they carry out that advisory role. They are allowed to visit the site and can talk to people, however if any notes are taken in the course of the visit, the written notes become a public record and they are discoverable. If the documentation is on a personal iPad, computer, or cell phone, it also becomes part of the public record and is subject to discovery. Mr. Hefton reiterated that Council Members should use their City-owned iPads or iPhones to do that, because it won't subject their personal items to discovery.

Mr. Taylor asked how careful does a Council Member need to be about what they say when they speak at an event or directly to someone. When a party is angered about the treatment they got from the City in a zoning case and they file a lawsuit and go to court, the judge is principally interested in ensuring that the applicant got a procedurally and substantively, fair and even-handed hearing.

Council Members are products of the community and have feelings and opinions about projects. What they want is a record that shows that the Council Member made a good-faith effort to appear to be a fair and unbiased Council Member during the window of time when everyone had the opportunity to present their case or position on the zoning matter.

When asked about their feelings on a project, Mr. Taylor said it's always wisest for a Council Member to say "I have my own feelings about it, but as a member of the City Council, I will be asked to participate in a public hearing to consider all the information and evidence before we make a final decision toward approving or disapproving. I'm not going to make a final decision until I've heard all the information." The property owner has property rights and the right to a fair hearing. If decisions are already made, there is a "tainted" proceeding. Don't give opinions until after the public hearing.

The Planning and Zoning Commission and the City Council could convene together and hold a joint public hearing. Afterwards, the Council would leave while the Planning and Zoning Commission debates the issue and makes their vote. When the Council returns, the Commission gives their report and leaves. Then the City Council makes their final decision. Mr. Taylor said this is faster, but is usually a bad idea, and he recommended that the Council not handle zoning issues this way.

He said the role of the Planning and Zoning Commission is to be a "point man" and, unfortunately, point men are expendable. The public hearing before the Planning and Zoning Commission is the

first time the request is being heard. This is the first "angry confrontation." The Commission must sort through the information and determine what is true, what is being made up, what is a rumor heard on social media, what is really going on, and who's telling the truth. The role of the Zoning Commission is to develop information. The staff will then determine the correct information and feed it to the Council. Then when the Council hears the issue during their public hearing, they can display wisdom in their decision based on truthful information.

Mr. Taylor said it is always better to let the Zoning Commission deal with the issue first. The staff will communicate and research the issues. Then the Council can make a better quality decision. He stressed that it is very dangerous for Council Members to become involved at the Planning and Zoning level. He said they "cannot be involved in the Planning and Zoning Commission process." Council appoints the Zoning Commission Members and they report to the Council. The Council can remove them for any reason. He added that, "it is an intervention that will not produce a good result."

Also, he reminded them that any notes, communications, or items on social media, between the Zoning Commission and the City Council, become a public record open to disclosure. He reminded them to watch what they email and what they put on social media.

Mr. Taylor listed the reasons that the City Council can use Executive Sessions. If the Council violates that privilege, they personally lose their immunity and must pay individually for their defense. It becomes a personal liability and the Council Member is financially responsible to the City for any damages it suffers.

He outlined the "daisy chain" violation of a closed session, which is a criminal violation. The law provides that a Council can only enter a closed session with a quorum of Council Members and if there is a proper agenda posted. If Council Members engage in a series of private conversations outside of a properly posted and called meeting, for the purpose of evading the Open Meetings Act rule, they have created a criminal violation of the Act. This is a Class B Misdemeanor and can result in six months in County Jail. He discussed ways this might happen, some very innocently. He urged them to be very cautious in dealing with things that might cause an open meeting violation. Don't talk about City business outside of a meeting, he warned.

Mr. Taylor addressed subdivisions. He said zoning is land use regulations, while subdivisions are land design regulations. The statute provides that a local government can adopt regulations for the laying out, design, and development of property. He outlined the process, which does include a public hearing, but no notice to property owners.

A subdivision is the division of a tract of land into two or more parts for the purpose of building; development; sale; conveyance; laying out the lots, blocks, alleys, and easements; or anything that relates to development. A City has the right to regulate inside its corporate limits and in its extraterritorial jurisdiction. The ETJ is the band of land around the boundary of the City that the Legislature has allowed a City to control in the design stage. Depending on population, the ETJ could be from one-half mile to five miles around the City.

Once a City adopts the subdivision regulation and sets the development standards, there is a radical difference between subdivision (land design) and zoning (land use). The statue says that if an applicant submits a plat for subdivision purposes, that is compliant with the City's subdivision regulations, the City "shall" approve the plat. Mr. Taylor said zoning is a subjective, discretionary, legislative act, but subdivision plat review is an objective, ministerial act. If a plat is compliant, the Council doesn't have any authority to deny it.

During a Zoning Meeting, the Commission hears requests for zoning and for plats. Citizens appear to talk during the public hearing for zoning issues and discuss things like incompatible land uses,

neighborhood character, and neighborhood boundaries. However, when subdivision plats are discussed, Mr. Taylor said it is a "dangerous avenue" to allow citizens to speak. He said politically, it's always important to allow the public to speak, even though it's not a public hearing. The reason it is dangerous, is that it infers to them that their opinion matters, and it doesn't.

When a citizen wants to talk on the subdivision issue, some Zoning Commissioners will explain that the Commissioners do have some discretion on zoning issues, however there is no discretion on plat review. The City has a set of rules, and if a developer submits a plat that fully complies with these rules, the law says the City has to approve it. It is not discretionary. They make sure the citizens know that the Zoning Commission will listen to their comments, but that they understand they can't not approve the plat.

Mr. Taylor said it is also important because of liability issues. Council Members are public officers, and are performing duties in the zoning, planning, and platting areas. There are rules that say you have immunity for performing public service acts. The basic rules of immunity say that advisory boards or elected officials, who are performing discretionary duties on behalf of the governmental unit, are immune from suit as long as they acted with the good faith belief that they were within the scope of their authority of what they needed to do. He said this covers almost everything.

However, in subdivision, the Council has a ministerial duty to approve, and in zoning they don't . . . they have discretion. Council Members cannot afford to confuse the two. He warned them against applying the zoning rules of discretionary review to a subdivision plat, even when there is major public pressure or neighborhood opposition.

Mr. Taylor said if the Council applies the zoning rules of discretionary review to a subdivision plat, they will encounter the Civil Rights Act, which says that any person, who, acting under color of State law, deprives another of Constitutional right or property interest shall be answerable in money damages. Council Members fall under the coverage of that Act. Mr. Taylor warned that if Council Members act outside that authority, they will be liable.

Mr. Hefton asked how the "daisy chain" quorum related to a Council Member's conversation with the City Manager. Mr. Taylor said, as individual Council Members, they can talk to the City Manager, but they cannot ask him to relay it to other Council Members or ask him what other Council Members have relayed to him. The City Manager can't relay concerns from other Council Members.

He added that "emails are the worst." Since the City Manager is not an elected official, he can send out a general informational email to all Council Members, but they can't send emails to each other.

Council Member Teamann asked if a Council Member talks to a citizen and gives statements of fact. If the citizen talks to another Council Member about the information, is that a violation. Mr. Taylor said that is not a violation because the Council Member didn't do it. The citizen can spread the information and they aren't an elected official.

COUNCIL COMMENTS

There were no Council comments.

ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 1:12 p.m.

_____
MAYOR

ATTEST

_____
CITY CLERK

STATE OF TEXAS §

March 5, 2018

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 5, 2018.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR PAM HOWETH. COUNCIL MEMBERS HOLLAND, STEELE, STEVENSON, TEAMANN.**

MEMBERS ABSENT: **COUNCIL MEMBER SOFEY.**

CALL TO ORDER

CALL TO ORDER

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

APPROVE MINUTES

APPROVE MINUTES

The Council reviewed the Minutes of the Regular City Council Meeting of February 19, 2018. Deputy Mayor Howeth moved to approve the Minutes as presented; Second by Council Member Teamann. All present voted AYE.
MOTION CARRIED.

PUBLIC HEARING
PROPOSED AGREEMENT WITH FINISAR SHERMAN RE HOLDCO, LLC, A TEXAS LIMITED LIABILITY COMPANY, FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR IMPROVEMENTS WITHIN INDUSTRIAL REINVESTMENT ZONE, NUMBER 022018-01, CITY OF SHERMAN, TEXAS

FINISAR TAX ABATEMENT

Mary Lawrence, Director of Finance, explained that this is the public hearing for the tax abatement for Finisar. The Tax Reinvestment Committee met on January 17, 2018, and recommends approval of the tax abatement.

Finisar will invest about $140 million in the facility and equipment. They plan to begin operation in the Fall of 2018, and will employ about 600 people.

The abatement is for 10 years and will begin at 60%, declining to 50% in year 10. It is estimated that the City will realize about $2.7 million in property taxes and Finisar will receive a benefit of about $3.3 million.

No citizens appeared before the City Council to discuss the proposed agreement with Finisar Sherman RE HOLDCO, LLC, for the abatement of Ad Valorem Property Taxes.

The Public Hearing was closed.

RESOLUTIONS
RESOLUTION NO. 6346 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH FINISAR SHERMAN RE HOLDCO, LLC, A TEXAS LIMITED LIABILITY COMPANY, FOR THE ABATEMENT

RES 6346
FINISAR AD VALOREM TAX ABATEMENT

OF AD VALOREM PROPERTY TAXES FOR IMPROVEMENTS WITHIN INDUSTRIAL REINVESTMENT ZONE, NUMBER 022018-01, CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH FINISAR SHERMAN RE HOLDCO, LLC, A TEXAS LIMITED LIABILITY COMPANY, FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR IMPROVEMENTS WITHIN INDUSTRIAL REINVESTMENT ZONE, NUMBER 022018-01, CITY OF SHERMAN, TEXAS.

Ms. Lawrence said this resolution would approve the tax abatement to Finisar.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6346, as presented. Second by Council Member Teamann.

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

RES 6347
FINISAR 380
AGREEMENT

RESOLUTION NO. 6347 – AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH FINISAR SHERMAN RE HOLDCO, LLC, A TEXAS LIMITED LIABILITY COMPANY, FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT PROGRAM AGREEMENT WITH FINISAR SHERMAN RE HOLDCO, LLC, A TEXAS LIMITED LIABILITY COMPANY, FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE.

Ms. Lawrence explained that a tax abatement can only last for 10 years. The City can grant additional incentives after the tax abatement has expired. The Chapter 380 Agreement would give Finisar an additional five years of incentives after the tax abatement.

She said the incentive is based on their percentage of taxes paid and would rebate back to them after payment. This agreement calls for 45% in year one and declines to 35% by year five. With both the tax abatement and the Chapter 380 Agreement, Finisar would have a total of 15 years of incentives.

Council Member Steele verified that the $2.7 million Ms. Lawrence said the City would realize on the tax abatement, does not include the Chapter 380 Agreement. She said the additional five years would be about $3 million in total property taxes and the City would realize about $1.8 million. Finisar's benefit would be about $1.2 million.

Council Member Teamann asked if the two abatements could run concurrently. Ms. Lawrence said the Chapter 380 Agreement is very flexible, however the City has never run them concurrently.

Robby Hefton, City Manager, said after the 10 year period, unless it's a new investment, Finisar wouldn't be eligible for a tax abatement. The Chapter 380 Agreement is used in a very few circumstances to "supersize" the tax abatement, if needed.

Council Member Steele asked what threshold Finisar would need to maintain over the 10 year period. Ms. Lawrence said the matrix that the City uses includes jobs but this project also has a large taxable value.

Mr. Hefton said the percentage of the tax abatement to the level of investment would remain the same percentage as in the agreement. The City does have a minimum threshold for the level of investment, but Finisar is at the highest tier anyway.

The City does evaluate their taxable value. He said a portion of their value is "bricks and mortar" and a part is equipment, which is subject to depreciation. When the equipment is replaced the value would increase again. He felt that their value would start at about $140 million and might decrease to $100 million with depreciation. However, it would increase again with new equipment. He felt $100 million was a good estimate, even though their initial minimum investment was $140 million.

Council Member Steele asked if Finisar moved from Sherman within the 10 year period, but kept the building and a few employees, would there be some "claw-backs" for the City. Mr. Hefton said the abatement would "go away" at that point, and they would receive no further benefits.

Deputy Mayor Howeth said many times, tax abatements are granted to entice a business to come to Sherman. Finisar has already announced their move to Sherman, so why would the City grant them a tax abatement. Mr. Hefton said it is an incentive for them to stay in Sherman.

Mr. Hefton added that the Sherman Economic Development Corporation helps get them here with frontloaded incentives of two or three years. The City's incentives are longer term, 15 years, and help keep the company in Sherman.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6347, as presented. Second by Council Member Teamann.

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

RES 6348
GRANT APPLICATION FOR CYANOACRYLATE FUMING CHAMBER FOR POLICE DEPT.

RESOLUTION NO. 6348 – AUTHORIZING SUBMISSION OF AN APPLICATION FOR A GRANT AWARDED UNDER THE OFFICE OF THE GOVERNOR – CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF A CYANOACRYLATE FUMING CHAMBER FOR LAW ENFORCEMENT USE WITHIN THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF AN APPLICATION FOR A GRANT AWARDED UNDER THE OFFICE OF THE GOVERNOR – CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF A CYANOACRYLATE FUMING CHAMBER FOR LAW ENFORCEMENT USE WITHIN THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY.

Zach Flores, Police Chief, said they currently have a smaller fuming chamber that will only hold small items. This grant application is for a large fuming chamber that would allow them to put in a long rifle or dismantled bicycle to obtain fingerprints, instead of using the old fashion dusting method. The fuming chamber allows a reaction with heat or air and superglue to extract fingerprints.

Chief Flores said this is the first time they have been able to apply for the grant for forensics. There is no matching requirement for the grant and cost of the equipment is about $13,000.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Resolution No. 6348, as presented. Second by Council Member Teamann.

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

RES 6349
GRANT APPLICATION FOR BODY CAMERAS FOR POLICE DEPT.

RESOLUTION NO. 6349 – AUTHORIZING SUBMISSION OF AN APPLICATION FOR A GRANT AWARDED UNDER THE OFFICE OF THE GOVERNOR – CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF TWENTY-FIVE BODY-WORN CAMERAS FOR LAW ENFORCEMENT USE WITHIN THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF AN APPLICATION FOR A GRANT AWARDED UNDER THE OFFICE OF THE GOVERNOR – CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF TWENTY-FIVE BODY-WORN CAMERAS FOR LAW ENFORCEMENT USE WITHIN THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY.

Chief Flores said in 2016 the City received a grant to purchase 40 body-worn cameras for the Police Department. All patrol officers have body-worn cameras. However, many times detectives and the Chief also respond to critical incidents. The department is also growing and there are not enough body-worn cameras for all officers.

This grant will allow the department to equip all officers with body-worn cameras and also give them some extra to use when they are sent for repair.

There is a local match of 25% for purchase of the cameras and that is estimated to be about $5,298 to the City.

Council Member Teamann asked how many officers currently do not have a bodycam. Chief Flores said the Detective Division have some bodycams now and typically wear them when they serve warrants. Usually there are between 40 and 50 bodycams that are functioning. Council Member Holland verified that with the additional bodycams, it would give the officers a few extra in case some are sent for repair.

Chief Flores added that he would rather his patrol officers have a bodycam than himself. Currently the administrative officers would give their bodycams to the patrol officers if they were short.

Deputy Mayor Howeth verified that the officers have to turn on the bodycams, but they don't have to turn on the camera in their vehicle. If they turn the lights on in the car, the camera also turns on.

Council Member Teamann verified that the new bodycams would be the same brand as the ones the City currently owns.

ACTION TAKEN.

Motion by Deputy Mayor Howeth to approve Resolution No. 6349, as presented. Second by Council Member Steele.

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

CHANGE ORDER NORTHGATE DRIVE EXTENSION

<u>CHANGE ORDER NO. 1</u>
<u>NORTHGATE DRIVE EXTENSION PROJECT; VESSELS CONSTRUCTION A DIVISION OF VESCOR, INC.; $141,283.22 DECREASE</u>

Clint Philpott, Director of Engineering, said the project was bid in November 2017 and came in over budget. Because of the construction schedule on the Fire Station, the City did award the project, but immediately looked at ways to get the project back in budget.

One change was to remove the water line from the project and use the City crews to install it in-house. The project also included a particularly large headwall. The City was able to

extend the box culvert and use side slopes to reduce the size of the headwall to reduce the cost.

Mr. Philpott said the initial bid was approximately $993,000 and the changes will decrease that amount by about $141,283, leaving a final contract price of $852,301, which is under budget.

ACTION TAKEN.

Motion by Council Member Steele to approve Change Order No. 1 to Vessels Construction A Division of Vescor, Inc., for a $141,283.22 decrease for the Northgate Drive Extension Project, as presented. Second by Council Member Stevenson.

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

OTHER BUSINESS

SETTING THE PUBLIC HEARING ON A PROPOSED AMENDMENT TO AN AGREEMENT WITH TEXAS INSTRUMENTS INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR EQUIPMENT WITHIN INDUSTRIAL REINVESTMENT ZONE, NUMBER 042013-1, CITY OF SHERMAN, TEXAS

SET PUBLIC HEARING TEXAS INSTRUMENTS TAX ABATEMENT AMENDMENT

Ms. Lawrence said this is a request to set a public hearing on the extension of a tax abatement agreement the City currently has with Texas Instruments. The abatement is on equipment that is warehoused at the Sherman facility.

The original agreement is for approximately $10 million in equipment with 55% abatement for five years. The amendment would be for an additional five year's abatement. By law, an abatement period may not exceed 10 years.

Council Member Steele confirmed that the abatement would be based on the $10 million threshold of equipment.

ACTION TAKEN.

Motion by Council Member Steele to approve an Amendment to an Agreement with Texas Instruments Incorporated for the abatement of Ad Valorem Property Taxes for equipment within Industrial Reinvestment Zone Number 042013-1, as presented. Second by Council Member Teamann.

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

RECEIVE PRESENTATION FROM CITY MANAGER ROBBY HEFTON ON THE CITY OF SHERMAN'S EMPLOYEE HEALTH INSURANCE PROGRAM

EMPLOYEE HEALTH INSURANCE UPDATE

Mr. Hefton said the challenges of the Employee Health Insurance Program reached a crisis point in 2016 and was costing so much money that the City was either going to have to make some significant changes to the plan or make drastic

cuts in operations, which may have included job cuts. He said they found that the program wasn't being managed as it should have been, both internally and externally.

Because of that, the staff felt there was no other choice but to make some drastic changes. First there were some vendor changes.

Mr. Hefton said in FY 2007, Health Fund expenses were at $4.5 million but by 2017 the Fund expenses were at $8 million. Historically, medical inflation runs about two times what regular inflation runs. Regular inflation has been running about 2% so medical inflation would run about 4%. Sherman's medical inflation is nearly double that amount for the 10 year period.

In 2017, changes were made to the City's plan which brought expenses back down to about $4.5 million. Additional changes have been implemented at the end of the year, so a full year's impact hasn't been realized yet. When projected out, Mr. Hefton said the staff believes the expenses will be closer to the $4 million range, which would be a 50% cut.

Benefits have been put on par with other cities the size of Sherman and the plan structure has changed. Because of this, the City has been able to assist employees with their Health Savings Account.

Mr. Hefton said the City had some very serious claims at the end of 2016. He said they felt that the changes made were effective, but they are still "tweaking" the plan and additional changes will be made.

He recognized several employees that worked on the changes, including Cathy Perkins, Human Resources Manager; Mary Lawrence, Director of Finance; and the Human Resources staff. He also recognized the City's new consultants, Brinson. He added that the staff continues to evaluate and monitor the situation and make changes to the plan as needed.

Ms. Lawrence said the City has realized excellent results with changes to the plan. The current plan is a "high deductible plan with flexible spending." Employees are able to contact telemedicine and possibly alleviate the need for a doctor's visit to obtain a prescription. She said, in a seven month period in 2017, there were 255 teledoc "visits" that saved the employee money.

The plan also offers contracts with local facilities and lower deductibles with exclusive providers. These changes save the City money on the plan and save the employee money with their deductible.

Ms. Lawrence said a self-funded plan offers many pieces, and the staff worked out contracts for each piece so the end result

is more flexible and is a superior product. Any one of the "pieces" can be replaced if a better alternative is available.

She said the City has also been able to help employees with their Health Services Account, or HSA funding, which basically lowers their deductible. In 2017, the City gave them $500 and in 2018 gave them $650. If the money is not used for health care costs, it can be used for vision.

Employees can contribute, pre-tax, to their HSA and it accumulates from year-to-year. Ms. Lawrence said, if the HSA is used, it's like getting a 22% discount on your medical bills.

Mr. Hefton added that, if the claims in 2018 perform as the staff believes they will, the goal would be to contribute even more to the employees than they did this year. He said they hoped to "ease the burden to the employees and their families."

The first year of the new high-deductible plan, compared to the City's peers, was a middle-of-the-road deductible. For the local facilities such as Wilson N. Jones Hospital, TMC, and Heritage Park Surgery Center, the deductible was lowered from $3,700 to $1,350, which is the lowest deductible allowable under IRS regulations.

Mr. Hefton said the City had to make changes in the plan but has seen good performance and did two things to share the benefit with the employees. One was lowering the deductible and the other was contributing more to the employee's HSA.

Ms. Lawrence added that the health plan will always need to be managed, but the City is committed to quality health care for the employees.

Mr. Hefton said while the staff is excited about the changes in the plan, there was a "hole" that they will have to "dig out of" because of the many years that the costs increased and the City had to "prop up" the fund. He expected it to take most of 2018 to "dig out of that hole" and to add some cushion to the fund.

He said there is still some work to do to get the plan back on sound financial footing. Once that's done, the staff can evaluate how much can be given back to the employees and the effect it will have on the budget.

CITIZEN'S REQUESTS

CITIZENS REQUESTS

There were no citizen's requests.

MEDIA QUESTIONS

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

EMPLOYEE HEALTH INSURANCE

EMPLOYEE HEALTH INSURANCE

Council Member Holland congratulated the staff on the great job they did with the Employee Health Insurance. He said it was lots of hard work.

EMPLOYEE HEALTH INSURANCE

EMPLOYEE HEALTH INSURANCE

Council Member Teamann said the staff did a great job with the Employee Health Insurance and it was a tremendous savings. He recognized all the hard work that went into the changes.

Mr. Hefton recognized Ms. Lawrence, Ms. Perkins, the Human Resources Department, and Zach Flores, Police Chief and former Human Resources Manager, for all their work on the program.

MENTORING PROGRAM

MENTORING PROGRAM

Council Member Teamann thanked Mayor Plyler for recently reading to the students at Jefferson Elementary School. Mayor Plyler said it was fun and urged everyone to become involved in the Mentoring Program.

ELECTION DAY

ELECTION DAY

Deputy Mayor Howeth reminded everyone that tomorrow is Election Day and urged citizens to vote.

ANNOUNCEMENTS

ANNOUNCEMENTS

Mayor Plyler announced the following:

- **Recognized the Sherman Fire Rescue representatives that were in attendance at the Council Meeting.**
- **Parks and Recreation will hold a Flashlight Egg Hunt on March 23, 2018 at 8:30 p.m. at Pecan Grove Park West.**
- **Parks and Recreation will hold the Eggstravaganza Easter Egg Hunt on March 24, 2018 at 10:00 a.m. at Pecan Grove Park West.**
- **Sherman Celtic Festival will be held on March 24, 2018 from 9:00 a.m. until 9:00 p.m. at Texoma Home Health.**
- **Craft the Night Away will be held on April 7, 2018 from 5:00 p.m. until 9:00 p.m. in Downtown Sherman.**

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

EXECUTIVE SESSION

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

SECTION 551.071 –	**CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION**
SECTION 551.071 --	**CONSULT WITH THE CITY ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THIS CHAPTER**
SECTION 551.087 --	**DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS: DELIBERATE REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT AND DELIBERATE ANY OFFERS OR INCENTIVES TO THE BUSINESS PROSPECT**

Mayor Plyler said no Executive Session was needed.

ADJOURNMENT **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 5:40 p.m.

MAYOR

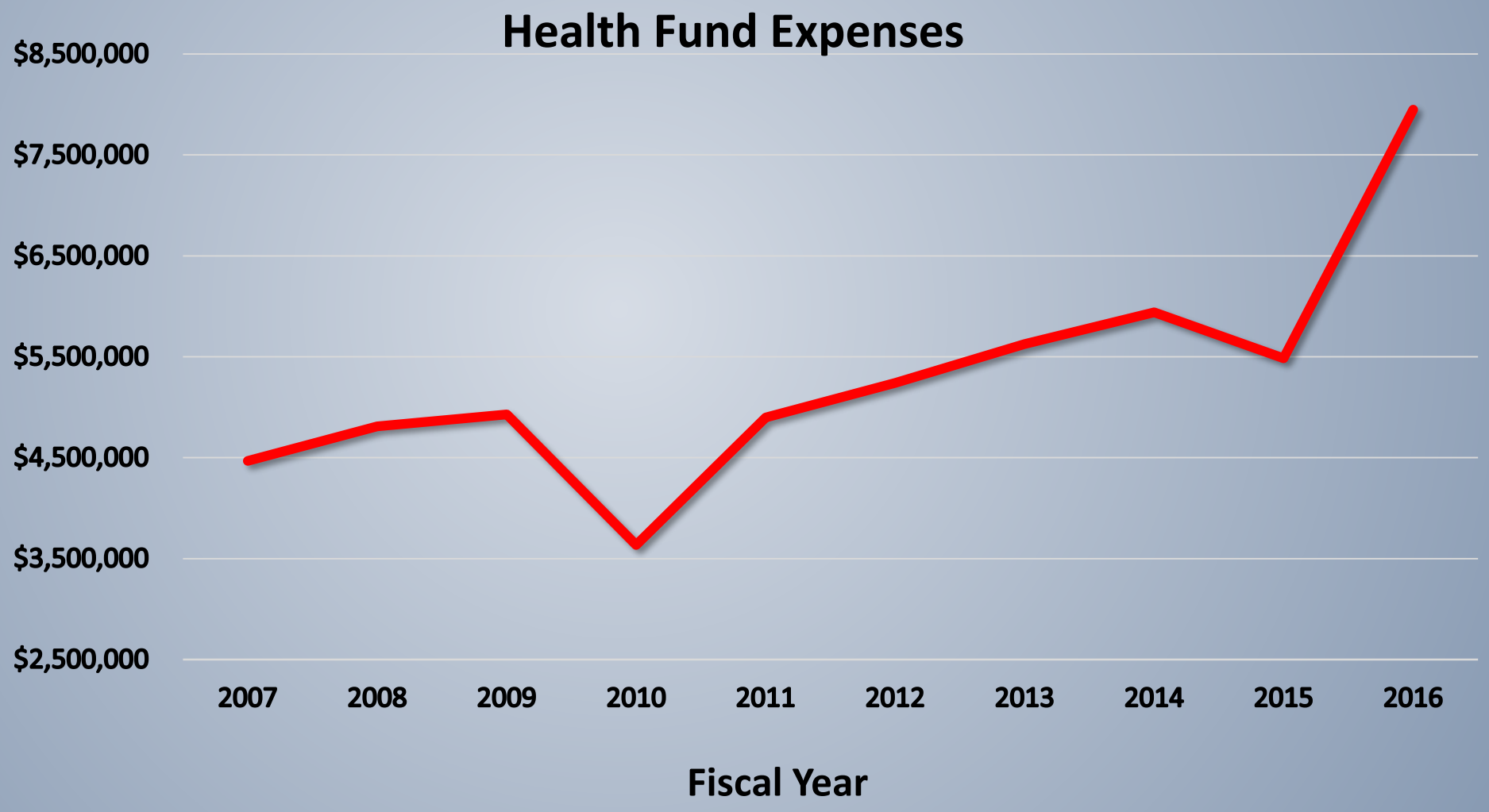
CITY CLERK

City of Sherman

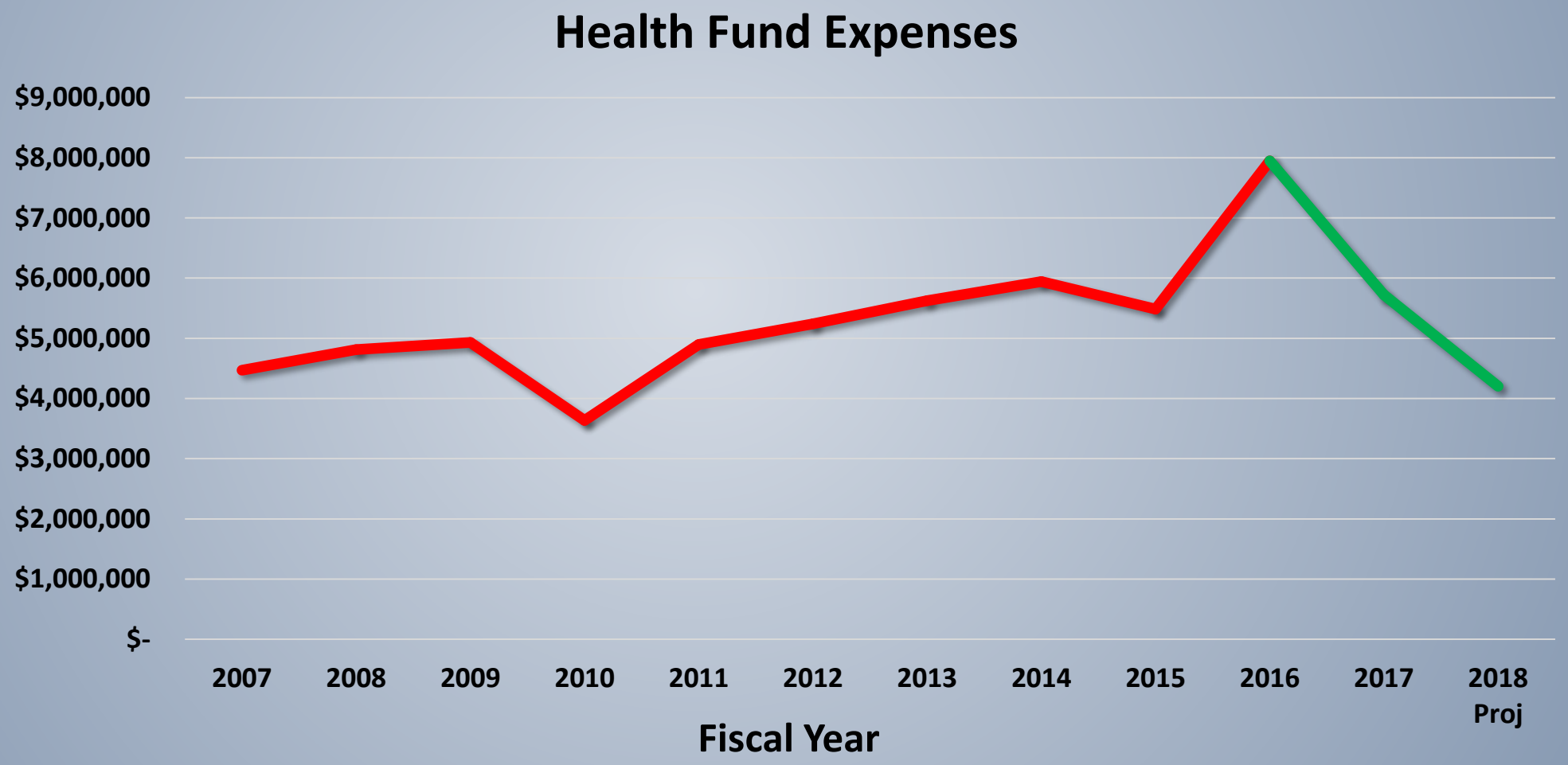
Insurance Fund Update

March 5, 2018

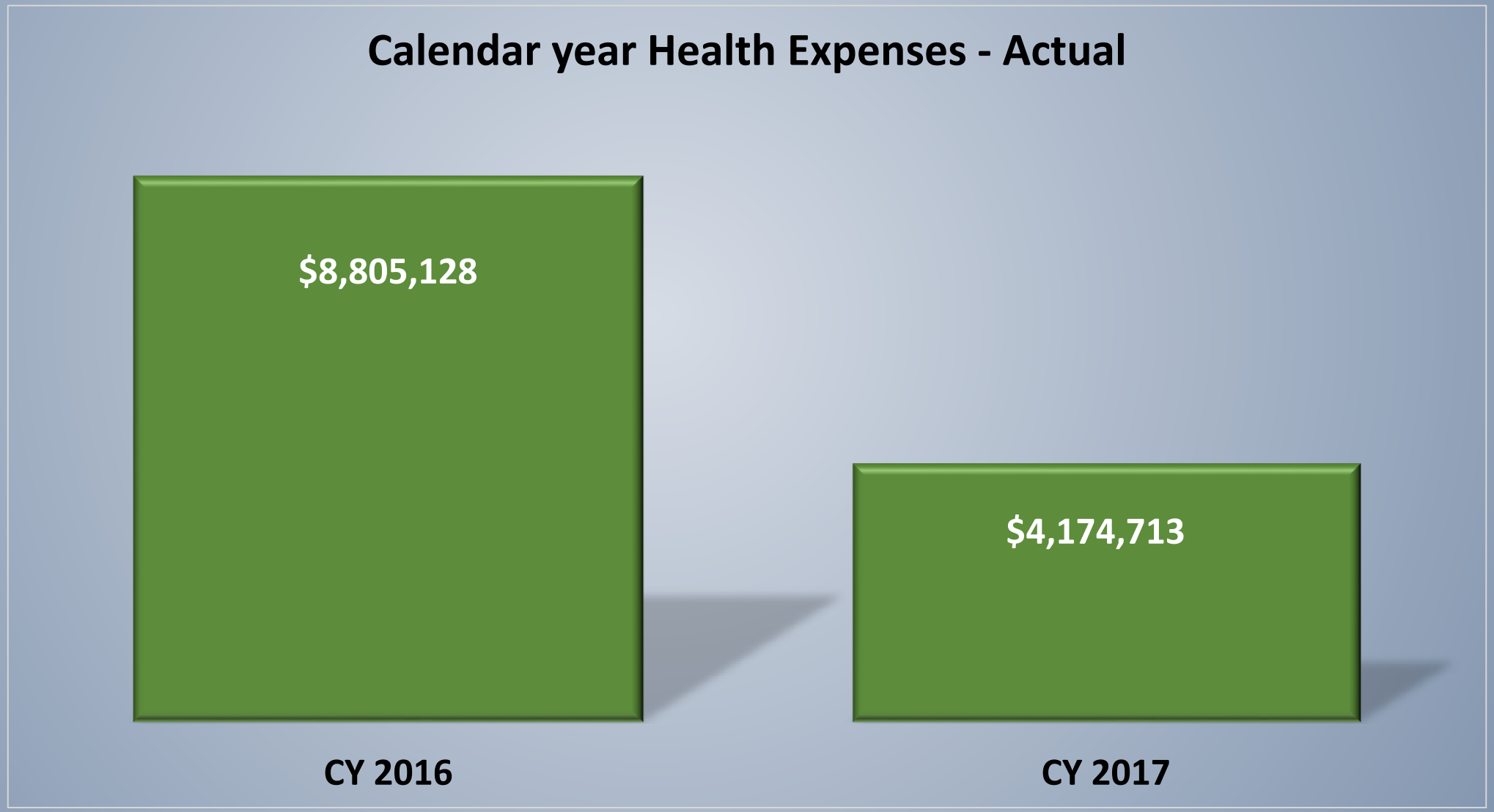
Where we were going



Where we are going now



Where we are now



What we did

- Plan Design
  - HDHP
  - Telemedicine
  - 100% coverage of preventative care
  - Facility steerage
- Structure – Separated the pieces of the plan to give us transparency and flexibility in vendors/providers and their fees
- Rx – Consultant now helping control costs
- Improved contracts with local facilities
- Flexibility – Can help employees with HSA funding in varying amounts each year and change vendors/providers to achieve favorable pricing
- Accountability/responsibility from City and employees
- Premiums unchanged for over 9 years.
- Compare to other plans for other similar sized employers

Ongoing challenges

- Funding level – the right mix of premiums and employer funding
- Plan design – keeping in line with market
- Prescriptions – keeping current in an ever-changing environment
- Goal: Providing quality health care with a reasonable claims experience

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING

Amendment to Agreement with Texas Instruments Incorporated for the Abatement of Ad Valorem Property Taxes for Equipment within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas

Issue:

Holding a public hearing for a proposed property tax abatement agreement between the City of Sherman and Texas Instruments Incorporated (TI)

Background:

On April 15, 2013, the City Council approved a five-year Agreement with TI for the Abatement of Ad Valorem Property Taxes on warehousing equipment located in the Sherman plant that will be relocated to other facilities, repositioned within the Sherman plant, or otherwise liquidated. The Tax Reinvestment Committees of the City of Sherman, the Sherman Independent School District, Grayson County, and Grayson College met on February 27, 2018, to consider TI's request for a five-year extension to the Agreement. The value of the equipment has ranged from about $4.5 million to $13.3 million over the last four (4) years.

The original agreement consists of a 55% per year abatement and initial minimum taxable value of at least $10 million.The proposed amendment to the agreement calls for an additional five (5) year abatement under the same terms as the original agreement. By law, an abatement period may not exceed ten (10) years, including extensions.

Origination:

Texas Instruments Incorporated
Tax Reinvestment Committee

Financial Consideration:

At a taxable value of $10 million each year, $96,000.00 in property tax revenues will be generated for the City over the five (5) year period at the current tax rate; and $117,000.00 is the estimated benefit to the taxpayer over the same time frame.

Staff Recommendation:

It is recommended that the City Council hold a public hearing for the proposed amendment to the tax abatement agreement.

Alternatives:

The City Council could deny the amendment to the tax abatement agreement.

Attachments

Resolution No. 6350

Amendment to TI Tax Abatement Agreement

Resolution No. 5760 and TI Tax Abatement Agreement approved April 15, 2013

RESOLUTION NO. 6350

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDMENT TO THE AGREEMENT WITH TEXAS INSTRUMENTS INCORPORATED FOR AN EXTENSION OF THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR IMPROVEMENTS WITHIN INDUSTRIAL REINVESTMENT ZONE, NUMBER 042013-1, CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the Mayor be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Texas Instruments Incorporated, and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an amendment to the agreement dated April 13, 2013 with Texas Instruments Incorporated, for the abatement of ad valorem taxes for an additional period of five (5) years, commencing January 1, 2019, for improvements within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas, consisting of $10 million of manufacturing equipment.

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

PASSED AND APPROVED on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

AMENDMENT 1 TO TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND TEXAS INSTRUMENTS INCORPORATED

This is an amendment to the April 13, 2013 tax abatement agreement between the City of Sherman, Texas and Texas Instruments Incorporated. The following additions to the agreement are hereby approved by both parties to the agreement:

Term and Abatement Period shall be ten (10) years beginning January 1, 2014

IN WITNESS WHEREOF, the parties hereto have made and executed this Amendment as of March ____, 2018.

CITY OF SHERMAN: TEXAS INSTRUMENTS INCORPORATED

_____ _____

RESOLUTION NO. 5760

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH TEXAS INSTRUMENTS INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES WITHIN INDUSTRIAL REINVESTMENT ZONE NO. 042013-1; 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 Mayor be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Texas Instruments Incorporated 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 Texas Instruments Incorporated for the abatement of ad valorem property taxes for a period of five (5) years, for improvements within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas, including the warehousing of equipment relocated to its Sherman plant from other locations within the company, said equipment to be stored locally until its relocation to other facilities, repositioning within the Sherman plant, or otherwise liquidated, in the same or substantially same form as the contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the 15th day of April, 2013.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: Linda Ashby
LINDA ASHBY, CITY CLERK

BY: Carolyn S. Wacker
CAROLYN S. WACKER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: B S S
BRANDON S. SHELBY, CITY ATTORNEY

TAX ABATEMENT AGREEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into as of the 15th day of April, 2013 (the "Effective Date"), by and among the City of Sherman, Texas, a home rule city and municipal corporation of Grayson County, Texas, duly acting herein by and through its Mayor ("City"); and Texas Instruments Incorporated, a Delaware Corporation, acting by and through its authorized officers ("TI"), for the purposes and considerations stated below:

W I T N E S S E T H:

WHEREAS, on the 1st day of April, 2013, the City Council of the City ("City Council") passed Ordinance No. 5770 ("Ordinance") establishing Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas ("Zone"), for commercial-industrial tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended ("Code"); and

WHEREAS, the City has adopted Guidelines and Criteria for the Industrial Tax Abatement Program ("Guidelines"), by the passage of Resolution No. 5676, on the 4th day of June, 2012; and

WHEREAS, the City's current Guidelines are attached as Exhibit A hereto; and

WHEREAS, the Guidelines constitute appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as contemplated by Chapter 312 of the Code; and

WHEREAS, the City has adopted a resolution stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, TI currently owns the Premises, as hereinafter defined, and TI expects to store manufacturing machinery and equipment (the "Improvements") on the Premises. The Improvements and use of the Premises is expected to significantly enhance the economic base of the City; and

WHEREAS, the City Council also finds that the improvements sought are feasible and practical and would be of benefit to the land to be included in the Zone and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the Premises and proposed Qualified Facilities, as hereinafter defined, meet the applicable guidelines and criteria heretofore adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Premises is located;

NOW, THEREFORE, the City, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of major investment in the Zone that contributes to the economic development of the City and enhancement of the tax base in the City and Grayson County, Texas; and

TI, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Sections 312.201 through 312.211 of the Code, does hereby contract, covenant and agree as follows:

I.
DEFINITIONS

Wherever used in this Agreement, the following capitalized terms shall have the meanings ascribed to them:

A. "TI AFFILIATE" shall mean any Person, directly or indirectly controlling, controlled by, or under common control with TI. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

B. "EFFECTIVE DATE" shall have the meaning given it in the introductory paragraph of this Agreement.

C. "ELIGIBLE PROPERTY VALUE" shall mean (i) with respect to each Qualified Facility for a particular tax year, the value of such Qualified Facility on the tax rolls of the Grayson Appraisal District as of such tax year; and (ii) with respect to business personal property located on the Premises for a particular tax year, the value of such business personal property on the tax rolls of the Grayson Appraisal District as of such tax year.

D. "FORCE MAJEURE" shall mean, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the City's legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of TI (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

E. "PERSON" shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

F. "PREMISES" shall mean all that parcel of land owned by TI as hereinafter described in Exhibit B attached hereto.

G. "QUALIFIED FACILITIES" shall mean any building, improvement, structure, fixture, parking or paving constructed on the Premises.

H. "REAL PROPERTY" and "PERSONAL PROPERTY" shall, for the purposes of this agreement, be defined by the Texas Tax Code.

I. "WAREHOUSED PROPERTY" is defined as any TI owned equipment from another TI facility or supplier, to be moved in and out throughout the duration of this agreement, equipment of which is not used in the day-to-day operations of TI.

II.
GENERAL PROVISIONS

A. All procedures followed by the City shall conform to the requirements of the Code, and shall be undertaken in coordination with TI's corporate, public, employee, and business relations requirements.

B. The Premises will be owned by TI or a TI Affiliate, which Premises are located solely within the city limits of the City and solely within the Zone.

C. The Premises are not in an improvement project financed by tax increment bonds.

D. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City; provided, however, that this section shall not be construed to create a security interest in the Premises or Qualified Facilities in favor of such holders of outstanding bonds of the City.

E. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of the City or any member of the governing body of any taxing unit joining in or adopting this Agreement.

F. This Agreement is intended to comply with the requirements of Section 312.204 of the Code and is authorized by the Texas Property Redevelopment and Tax Abatement Act of the Texas Tax Code, Chapter 312, by the Guidelines and by resolution of the City Council authorizing execution of this Agreement.

G. During the period of the tax abatement herein authorized, TI shall be subject to all applicable City taxation not specifically abated or exempted, including but not limited to, sales tax and ad valorem taxation on land, inventory and supplies.

III.
CONDITION PRECEDENT TO TAX ABATEMENT

As a condition precedent to a tax abatement under this Agreement, TI or a TI Affiliate must substantially locate all Improvements to the Premises by January 1, 2014.

IV.
TERM AND ABATEMENT PERIOD

A five (5) year tax abatement period permitted by law is hereby granted with respect to all Warehoused Property located therein or otherwise on the Premises, as indicated in Section VI below. The tax abatement period shall commence to run beginning January 1, 2014.

V.
INITIAL AND MINIMUM TAX LIABILITY

A. For the purposes of this Agreement, the Warehoused Property shall reflect a minimum original acquisition cost of $10 million.

B. During the period of tax abatement herein authorized, TI shall be liable to the City for a minimum taxable value assigned under Sec. V.A. for all property covered under this Agreement.

VI.
RATE, SCOPE, CONDITIONS AND COVENANTS

The rate and scope and additional conditions of tax abatement shall be as follows:

A. Annual Rates of Abatement – The following shall be the annual rates of tax abatement for the business personal property located therein or otherwise on the Premises and subject to this Agreement:

PERSONAL PROPERTY	
Year	Percentage of City Property Taxes Abated
1	55%
2	55%
3	55%
4	55%
5	55%

B. Operation Covenant. TI shall operate the Facility in accordance with prudent industry standards and applicable law.

C. Property Tax Covenant. Throughout the term of this Agreement, TI shall timely pay all property taxes for the Premises and real and personal property located therein due and owing by it to all relevant taxing jurisdictions.

D. Management Change Notice Covenant. During the term of this Agreement, TI shall notify the City in writing of any change of the manager of TI within seven (7) days of such change.

VII.
REPORTING AND MONITORING

TI agrees to the following reporting and monitoring provisions, and failure to fully and timely comply with any one requirement shall constitute an event of default:

A. Not later than January 31 of each applicable year, TI shall submit to the City a certification from TI as to the conditions set forth in Section VI.B., C., and D.

B. TI shall provide to the City a semi-annual report certifying the status of compliance through the life of the Agreement of new investments and any other relevant information.

C. TI, during normal business hours, at its headquarters or at the Sherman plant location, shall allow to the City, its agents and employees, reasonable access to its books and records that are related to the described economic development consideration and incentives, to verify records related to economic development considerations and incentives, but the confidentiality of such records will be maintained.

D. TI further covenants and agrees that the City, its agents and employees, shall have a continuing and reasonable right of access to the real property, together with all Premises, Qualified Facilities and Warehoused Property, at reasonable times and with reasonable notice to TI, and in accordance with TI's visitor access and security policies, in order to inspect the Premises, Qualified Facilities and Warehoused Property to insure that the installation of the Warehoused Property is in accordance with this Agreement and that all applicable state and local laws, ordinances and regulations are being followed. City, its agents and employees, shall defend, indemnify, and hold harmless TI from any damages or liability to persons or property arising from City, its agents and employees, entry upon TI's Property, unless such injury is caused by the sole negligence of TI, to the extent permitted by law.

E. The Premises at all times shall be used in a manner that is consistent with the general purpose of encouraging development within the Zone.

VIII.
BREACH/FAILURE TO MEET CERTAIN CONDITIONS

In the event that TI breaches any of the terms or conditions of this Agreement, then TI shall be in default of this Agreement. In the event TI defaults in its performance, the City shall give TI written notice of such default/failure of condition and, if TI has not cured such default/failure of condition within sixty (60) days of said written notice, then this Agreement may be terminated by the City; provided, however, that if such default is not reasonably susceptible of cure within such sixty (60) day period and TI has commenced and is pursuing the cure of same, then, after first advising the City Council of TI's efforts to cure same, TI may utilize an additional ninety (90) days for such purposes. Additional time, i.e., time in addition to the foregoing one hundred

fifty (150) days, may be authorized by the City Council. City's sole and exclusive remedy against any Person for any breach or failure of condition under this Agreement, in the event of default after the expiration of the applicable notice and cure periods, shall be that this Agreement shall terminate and all future tax abatements under this Agreement shall be void (it being understood that the City shall not be entitled to any repayment of tax abatements under this Agreement, except as provided in Section IX below, and it being further understood that the failure to meet a covenant set forth in Section VI.B., C. or D. for any year is not a breach and results only in the loss to the right to abatement for such year). Notwithstanding any provision in this Agreement to the contrary, neither TI nor any other Person shall be required to pay any amounts to the City under this Agreement, with the only remedy being the loss of future tax abatements.

IX.
CONTINUITY OF OPERATIONS

Notwithstanding Section VI.A. above, if for any reason operations are suspended or cease at any point during the term of this Agreement, then no tax abatements under this Agreement shall be provided. Further, in the event of any cessation of operations, or abandonment of Premises by TI, all previously abated taxes are immediately due to the City.

X.
EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

This Agreement shall be binding on and inure to the benefit of the Parties and all TI Affiliates, their respective successors and assigns. Neither Party may assign its rights and duties hereunder, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that TI may assign this Agreement and all of its rights hereunder to any Affiliate. In addition, this Agreement and all rights hereunder may be assigned for the benefit of any Financing Party including, but not limited to, an assignment to such Parties upon a foreclosure. Any assignment in violation of this Section X shall not affect any rebates with respect to which TI or any TI Affiliate is already entitled.

XI.
NOTICE

All notices called for or required by this Agreement shall be addressed to the following, or such other Party or address as either Party designates in writing, by certified mail, postage prepaid or by hand delivery:

TI:

U.S. Property and Sales Tax Manager
Texas Instruments Incorporated
Kilby West – M/S 3998
13570 N. Central Expressway
Dallas, Texas 75243

City:

City Manager
City of Sherman
220 West Mulberry Street
P. O. Box 1106
Sherman, Texas 75091-1106

XII.
CITY COUNCIL AUTHORIZATION

This Agreement was authorized by resolution of the City Council that was approved by the affirmative vote of a majority of the City Council at its regularly scheduled City Council meeting on the 15th day of April, 2013, authorizing the Mayor to execute this Agreement on behalf of the City.

XIII.
TI AUTHORIZATION

An authorized representative of TI entered into this Agreement.

XIV.
SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

XV.
ESTOPPEL CERTIFICATE

Any Party hereto may request an estoppel certificate from another Party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which will upon request be addressed to a subsequent purchaser or assignee of TI, shall include, but not necessarily be limited to, statements (to the actual knowledge of the Party providing such) that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the Party(ies) to receive the certificate. The City Manager for the City shall provide any such certificate on behalf of the City.

XVI.
APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be in a court located in Grayson County, Texas.

XVII.
INDEMNIFICATION

A. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, TI SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCILMEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "CITY'S INDEMNIFIED PARTY") FOR,

FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) TI'S PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS AGREEMENT.

B. Notice of Indemnified Loss. The City's Indemnified Party shall promptly notify TI of any indemnified Losses or Claim for indemnified Losses in respect of which the City's Indemnified Party may be entitled to indemnification under this Section XVII. Such notice shall be given as soon as reasonably practicable after the City's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third Party Claims. In the event any action or proceeding shall be brought against the City's Indemnified Party by reason of any matter for which the City's Indemnified Party is indemnified hereunder, TI shall, upon notice from the City's Indemnified Party or its authorized agents or representatives, at TI's sole cost and expense, resist and defend the same with legal counsel selected by TI; provided, however, that TI shall not admit liability in any such matter on behalf of the City's Indemnified Party. TI's obligation to defend shall apply regardless of whether the City's Indemnified Party is solely or concurrently negligent. Nothing herein shall be deemed to prevent the City's Indemnified Party at its election and at its own expense from cooperating with TI and participating in the defense of any litigation by their own counsel. If TI fails to retain defense counsel within seven (7) business days after receipt of City's Indemnified Party written notice that the City's Indemnified Party is invoking its right to indemnification under this Agreement, the City's Indemnified Party shall have the right to retain defense counsel on their own behalf, and TI shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.

D. Limitation on Indemnity. The amount owing to an Indemnified Party will be the amount of the Indemnified Party's Losses net of any insurance proceeds received by the indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

XVIII.
ENTIRE AGREEMENT

This Agreement constitutes the entire Tax Abatement Agreement between the Parties, supersedes any prior understanding or written or oral tax abatement agreements or representations between the Parties, and can be modified only by written instrument subscribed to by all Parties. Notwithstanding the foregoing provision, this Agreement does not modify, alter, or amend any other agreement or instrument among the City and TI relating to matters other than the abatement of real property taxes with respect to the Premises and the Qualified Facilities and business personal property located on the Premises. This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original.

EXECUTED the 15th day of April, 2013.

CITY OF SHERMAN, TEXAS

By: _____
Carolyn S. Wacker
Mayor

ATTEST:

By: _____
Linda Ashby
City Clerk

CITY OF SHERMAN, TEXAS
APPROVED AS TO FORM:

By: _____
Brandon S. Shelby
City Attorney

TEXAS INSTRUMENTS INCORPORATED,
a Delaware Corporation

By: _____
Paul Fego
Vice President of Worldwide Manufacturing

MAYOR'S ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Carolyn S. Wacker, Mayor of the City of Sherman, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, Texas, a municipal corporation, that she was duly authorized to perform the same by appropriate resolution of the City Council for the City of Sherman and that she executed the same as the act of the said City for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of April, A.D., 2013.

LINDA ASHBY
Notary Public
STATE OF TEXAS
My Comm. Exp. 06-06-2014

Linda Ashby
Notary Public in and for the State of Texas

Linda Ashby
(Typed/Printed Name of Notary)

My Commission Expires:

6/6/2014

TI ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Paul Fego, Vice President of Worldwide Manufacturing for Texas Instruments Incorporated, a Delaware Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me he executed the same as a duly authorized officer of such corporation, and as the act and deed of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29 day of April, A.D., 2013.

Becky Layton
Notary Public
STATE OF TEXAS
My Comm. Exp. 10/18/2015

Becky Layton
Notary Public in and for the State of Texas

Becky Layton
(Typed/Printed Name of Notary)

My Commission Expires:

10-18-2015

EXHIBIT A
TO TAX ABATEMENT AGREEMENT

Comprehensive Guidelines

[Attached]

RESOLUTION NO. 5676

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

WHEREAS, by Resolution No. 5494, passed and approved on June 7, 2010, the City of Sherman declared its eligibility and intention to participate in the Tax Abatement Program to promote development/redevelopment in certain areas of the City and adopted Tax Abatement Guidelines and Criteria for use in all Tax Abatement Programs; and

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

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

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

CITY OF SHERMAN'S
RENEWED TAX ABATEMENT GUIDELINES AND CRITERIA

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

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

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

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

- Employment Impact

  How many jobs will be created by this project?

  How many current jobs will be retained by this project?

  What types of jobs will be created or retained?

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

- Fiscal Impact

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

  What is the economic life to the additional property?

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

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

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

- Community Impact

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

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

  What is the environmental impact of the project?

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

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

PASSED AND APPROVED on this the 4th day of June, 2012.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

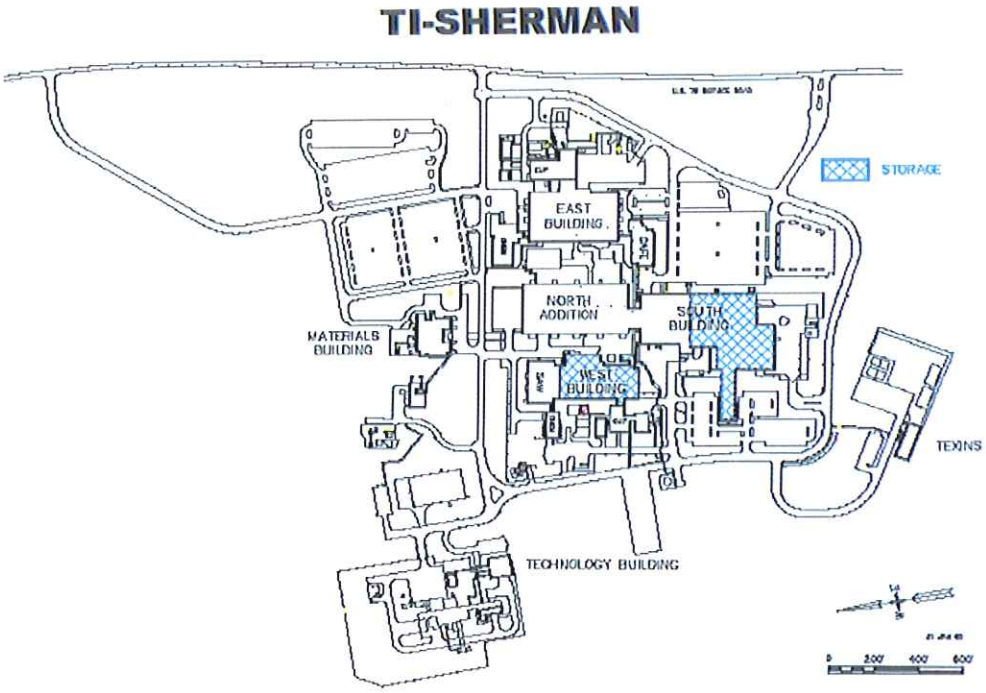
CERTIFIED COPY- DOCUMENT
THIS IS CERTIFIED TO BE A TRUE COPY OF THE PERMANENT RECORD AS FILED IN THE OFFICE OF THE CITY CLERK.

Linda Ashby
CITY CLERK, SHERMAN, TEXAS

ISSUED: 2/6/13

EXHIBIT B
TO TAX ABATEMENT AGREEMENT

<u>The Premises</u>



Field Notes

Legal Description

SITUATED in Grayson County, Texas in the City of Sherman, the William Martin Survey, Abstract No. 765, the John Chronister Survey, Abstract No. 248 and the S. Dunman Survey, Abstract No. 329 and being part of two (2) tracts more particularly referenced as follows:

1. Part of a called 5.450 acre tract of land conveyed to Texas Instruments Inc. from D.C. Enloe et al. by deed filed September 28, 1965 and recorded in volume 1038, page 49 of the Deed Records of Grayson County.

2. Part of a called 470.340 acre tract of land conveyed to Texas Instruments Inc. from Joe Hilburn and wife Johnnie V. Hilburn by deed filed September 1, 1965 and recorded in volume 1036, page 247 of the Deed Records of Grayson County, Texas.

Said part of two tracts being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod in the curve of the West right-of-way of U.S. Highway 75 and in the East line of said 5.450 acre tract, said iron rod bears N 3° 10' 31" E 11.09 feet from the Southeast corner of the 5.450 acre tract, said iron rod also bears S 86° 52' 56" E 5530.00 feet from the center of said curve;

THENCE: With the curve of the West right-of-way of U.S. 75 and the East line of the 5.450 acres and 470.340 acres tracts through an arc length of 785.29 feet to a 1/2 inch iron rod at the point of tangency, said curve having a central angle of 8° 08' 11", a radius of 5530.00 feet and a chord bearing and distance of S 7° 11' 10" W 784.63 feet;

THENCE: S 11° 15' 15" W 2772.22 feet with the West right-of-way of U.S. 75 and the East line of the 470.340 acre tract to a 1/2 inch

iron rod for corner from which a right-of-way marker bears N 11° 15' 15" E 151.00 feet and from which the most Easterly Southeast corner of the 470.340 acre tract bears S 11° 15' 15" W 661.92 feet;

THENCE: Across said 470.340 acre tract as follows:

S 76° 15' 10" W 1378.36 feet to a 1/2 iron rod;
N 59° 39' 46" W 817.23 feet to a 1/2 iron rod;
N 0° 21' 35" W 1139.66 feet to a 1/2 iron rod;
N 27° 07' 26" E 739.59 feet to a 1/2 iron rod;
S 89° 14' 11" E 277.52 feet to a 1/2 iron rod;
N 0° 38' 45" E 311.12 feet to a 1/2 iron rod;
S 83° 58' 11" E 194.32 feet to a 1/2 iron rod;
N 9° 41' 33" E 206.44 feet to a 1/2 iron rod;
S 89° 54' 09" E 982.17 feet to a 1/2 iron rod;
N 0° 44' 03" E 462.12 feet to a 1/2 iron rod;

THENCE: N 42° 21' 28" E 918.42 feet across the 470.340 acre and 5.450 acre tracts to a 1/2 inch iron rod for corner;

THENCE: S 86° 19' 00" E 237.95 feet across said 5.450 acre tract to the POINT OF BEGINNING and containing 136.869 acres of land more or less.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.2.**

Meeting Date: 03/19/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6101

Designating a Certain Area as Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance

Issue:

The creation of a new industrial reinvestment zone in response to a tax abatement requested by West Moore Solar, LLC/West Moore Solar II, LLC ("West Moore Solar")

Background:

On Tuesday, February 27, 2018, the Tax Reinvestment Committees of the City of Sherman, the Sherman Independent School District, Grayson County, and Grayson College (the "Committee") met to consider a request from West Moore Solar for a tax abatement involving a project to invest $1.1 million in real property and $10 to $12 million in equipment at its solar energy facility located in the 900-2000 blocks of West Moore Street, between Center Street and Park Avenue, in Sherman. West Moore Solar's current property carries an agricultural exemption; and it will be returned to the tax rolls at its full value of $1.1 million. West Moore Solar plans to be in operation in Spring 2019 with one full-time employee.

The Committee voted to recommend an abatement and the creation of the Zone to the City Council and other taxing entities. The law requires that a reinvestment zone be established prior to a tax abatement being granted for eligible projects. The attached ordinance is the first step in accomplishing the creation of a new commercial/industrial reinvestment zone, which would cover only West Moore Solar's property. Prior to its adoption, a public hearing must be held to allow for interested parties to speak to the issue. The Tax Abatement Agreement will be addressed at the City Council's next regular meeting on Monday, April 2, 2018, in the form of a resolution.

Origination:

West Moore Solar, LLC/West Moore Solar II, LLC, Applicant
Tax Reinvestment Committee

Financial Consideration:

There is no direct cost to creating Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas, and providing the medium for granting tax abatement agreements within the designated zone. If a tax abatement is granted, total taxes at the current rate and value over the five (5) year abatement period will be about $238,000.00 with a benefit to the taxpayer of about $119,000.00.

Staff Recommendation:

The staff recommends that the City Council introduce and hold the public hearing on the ordinance and consider its adoption.

Alternatives:

No alternatives are recommended.

Attachments

Ordinance No. 6101 with Exhibits "A" and "B"

ORDINANCE NO. 6101

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 032018-01, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; 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 (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the "CODE"); and

WHEREAS, a hearing before the City Council was set for 5:00 p.m. on the 19th day of March, 2018, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Sherman; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Grayson County, Grayson County College, and Sherman Independent School District, as required by the CODE; and

WHEREAS, upon such hearing being convened, there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit "A" and depicted in the drawing attached hereto as Exhibit "B", should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone, and all other taxing units and other interested persons, were given the opportunity at such public hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment Zone, and no opponents of the Reinvestment Zone appeared to contest creation of the Reinvestment Zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, will be of general benefit to the City of Sherman, and that it will be in the public interest to pass this ordinance creating a Reinvestment Zone;

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2. That the City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted, and that notice of such hearing has been published as required by law;

(b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone, pursuant to the CODE;

(c) That creation of the proposed Zone, with boundaries as described in Exhibits "A" and "B", will result in benefits to the City, its residents and property owners, and to the property, residents and property owners in the Reinvestment Zone; and

(d) That the Reinvestment Zone, as defined in Exhibits "A" and "B", meets the criteria for the creation of a Reinvestment Zone as set forth in Section 312.202 of the CODE in that:

(1) It is a contiguous geographic area located wholly within the corporate limits of the City.

(2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.

(3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or Town, or by a member of a zoning or planning board or commission of the City.

(4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

SECTION 3. That the City hereby creates a Reinvestment Zone over the area described by the description in Exhibit "A", attached hereto and depicted in a drawing attached hereto as Exhibit "B", and such Reinvestment Zone shall hereafter be identified as the Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas (the "Zone").

SECTION 4. That the written agreement(s) as provided in the CODE, with the owners of the property located within the Reinvestment Zone, is hereby authorized for a period of up to ten (10) years, and the written agreement(s) shall provide an exemption from taxation of the increased value in the real and/or personal property in the percentages and for the years to be established in the agreements.

SECTION 5. That, if any section, paragraph, clause, or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551 of the Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 7. That the contents of the notice of public hearing, which hearing was held before the City Council on the 19th day of March, 2018, and the publication of said notices, is hereby ratified, approved, and confirmed.

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE: _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

EXHIBIT "A"

INDUSTRIAL REINVESTMENT ZONE, NUMBER 032018-01,
CITY OF SHERMAN, TEXAS
FIELD NOTES

LEGAL DESCRIPTION

Being a 112.6372 acres part of a called 211.4 acres tract of land situated in the Elizabeth Jones Survey, Abstract No. 625 in the City of Sherman, Grayson County, Texas with said 211.4 acres tract being referred to as Tract 1-A by deed to SSCGC Holdings, LLC, a Texas Limited Liability Company as recorded in Volume 5232, Page 220, Official Records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with plastic cap stamped "PLS INC" (typical) for corner at the Northwest corner of the herein described tract and being at the Southwest corner of a called 2.042 acres tract of land conveyed to the City of Sherman and referred to as Tract Seventeen as recorded in Volume 3566, Page 616, Deed Records, Grayson County, Texas;

THENCE North 74 degrees 03 minutes 22 seconds East (called North 75 degrees 09 minutes 59 seconds East by Deed), along the common line of said City of Sherman 2.042 acres tract and said 211.4 acres tract, a distance of 302.44 feet (called 302.42 feet by Deed) to a 5/8 inch iron rod set for corner;

THENCE North 74 degrees 26 minutes 01 seconds East (called North 75 degrees 32 minutes 52 seconds East by Deed), along the common line of said City of Sherman 2.042 acres tract and said 211.4 acres tract, a distance of 297.58 feet to a 5/8 inch iron rod set for corner;

THENCE North 75 degrees 04 minutes 37 seconds East (called North 75 degrees 32 minutes 52 seconds East by Deed), along the common North line of said 211.4 acres tract and South line of a remaining part of a called 65.0993 acres tract conveyed to William W. Collins, Jr. and wife, Margaret Binkley Collins by Deed as recorded in Volume 1517, Page 629, said Deed Records, a distance of 708.88 feet to a 5/8 inch iron rod set for corner; being at the Southwest corner of a tract of land conveyed to 1401-1405 West Moore, LLC by Deed as recorded in Volume 5114, Page 118, said Official Records;

THENCE North 75 degrees 04 minutes 34 seconds East (called North 75 degrees 50 minutes 57 seconds East by Deed), along the common line of said 211.4 acres tract and said 1401-1405 West Moore, LLC tract, in the general line of a fence, a distance of 915.49 feet to a 5/8 inch iron rod set for corner;

THENCE South 21 degrees 01 minutes 41 seconds East, over and across said 211.4 acres tract, a distance of 134.57 feet to a 5/8 inch iron rod set for corner;

THENCE South 12 degrees 45 minutes 57 seconds West, continuing over and across said 211.4 acres tract, a distance of 1633.65 feet to a 5/8 inch iron rod set for corner;

THENCE South 36 degrees 36 minutes 39 seconds West, continuing over and across said 211.4 acres tract, a distance of 748.32 feet to a 5/8 inch iron rod set for corner;

EXHIBIT "A"
(Continued)
INDUSTRIAL REINVESTMENT ZONE, NUMBER 032018-01
CITY OF SHERMAN, TEXAS

THENCE South 54 degrees 49 minutes 17 seconds East, continuing over and across said 211.4 acres tract, a distance of 244.84 feet to a "MAG" spike set for corner in the general centerline of West Moore Street (a public road);

THENCE South 33 degrees 15 minutes 23 seconds West (called South 34 degrees 18 minutes 38 seconds West by Deed), along the general centerline of said West Moore Street, a distance of 891.89 feet to a "MAG" spike set for corner in the general centerline of said West Moore Street;

THENCE South 89 degrees 27 minutes 45 seconds West, departing said West Moore Street, over and across said 211.4 acres tract, a distance of 1745.71 feet to a 5/8 inch iron rod set for corner; being in the Westerly line of said 211.4 acres tract and the Easterly line of a called 83.311 acres tract of land conveyed to the City of Sherman as recorded in Volume 1288, Page 650, said Deed Records;

THENCE along the common lines of said 211.4 acres tract and said 83.311 acres City of Sherman tract the following courses and distances:

North 10 degrees 31 minutes 43 seconds West (called North 09 degrees 25 minutes 06 seconds West by Deed), a distance of 5.65 feet to a 5/8 inch iron rod set for corner;

South 89 degrees 43 minutes 17 seconds West (called North 89 degrees 10 minutes 06 seconds West by Deed), a distance of 18.00 feet to a 5/8 inch iron rod set for corner;

North 10 degrees 31 minutes 43 seconds West (called North 09 degrees 25 minutes 06 seconds West by Deed), a distance of 159.90 feet (159.92 feet by Deed) to a 5/8 inch iron rod set for corner;

North 35 degrees 55 minutes 04 seconds East (called North 37 degrees 01 minutes 54 seconds East by Deed), a distance of 232.67 feet (232.66 feet by Deed) to a 5/8 inch iron rod set for corner;

South 87 degrees 58 minutes 43 seconds East (called South 86 degrees 52 minutes 06 seconds East by Deed), a distance of 50.00 feet to a 5/8 inch iron rod set for corner;

North 42 degrees 05 minutes 17 seconds East (called North 43 degrees 11 minutes 54 seconds East by Deed), a distance of 110.00 feet to a 5/8 inch iron rod set for corner;

North 11 degrees 55 minutes 17 seconds East (called North 13 degrees 01 minutes 54 seconds East by Deed), a distance of 283.10 feet to a 5/8 inch iron rod set for corner;

North 55 degrees 53 minutes 17 seconds East (called North 56 degrees 59 minutes 54 seconds East by Deed), a distance of 248.85 feet to a 5/8 inch iron rod set for corner;

North 11 degrees 47 minutes 17 seconds East (called North 12 degrees 53 minutes 54 seconds East by Deed), a distance of 110.00 feet to a 5/8 inch iron rod set for corner;

South 62 degrees 26 minutes 43 seconds East (called South 61 degrees 20 minutes 06 seconds East by Deed), a distance of 102.73 feet to a 5/8 inch iron rod set for corner;

South 18 degrees 15 minutes 43 seconds East (called South 17 degrees 09 minutes 06 seconds East by Deed), a distance of 45.00 feet to a 5/8 inch iron rod set for corner;

South 49 degrees 21 minutes 43 seconds East (called South 48 degrees 15 minutes 06 seconds East by Deed), a distance of 50.00 feet to a 5/8 inch iron rod set for corner;

North 25 degrees 16 minutes 17 seconds East (called North 26 degrees 22 minutes 54 seconds East by Deed), a distance of 38.00 feet to a 5/8 inch iron rod set for corner;

North 18 degrees 15 minutes 43 seconds West (called North 17 degrees 09 minutes 06 seconds West by Deed), a distance of 37.00 feet to a 5/8 inch iron rod set for corner;

North 25 degrees 57 minutes 17 seconds East (called North 27 degrees 03 minutes 54 seconds East by Deed), a distance of 95.54 feet to a 5/8 inch iron rod set for corner;

North 40 degrees 58 minutes 17 seconds East (called North 42 degrees 04 minutes 54 seconds East by Deed), a distance of 90.00 feet to a 5/8 inch iron rod set for corner;

South 65 degrees 48 minutes 59 seconds East (called South 64 degrees 42 minutes 06 seconds East by Deed), a distance of 170.02 feet (170.00 feet by Deed) to a 5/8 inch iron rod set for corner;

South 71 degrees 32 minutes 33 seconds East (called South 70 degrees 26 minutes 06 seconds East by Deed), a distance of 235.24 feet (235.26 feet by Deed) to a 5/8 inch iron rod set for corner;

South 83 degrees 47 minutes 43 seconds East (called South 82 degrees 41 minutes 06 seconds East by Deed), a distance of 160.00 feet to a 5/8 inch iron rod set for corner;

South 40 degrees 27 minutes 43 seconds East (called South 39 degrees 21 minutes 06 seconds East by Deed), a distance of 208.00 feet to a 5/8 inch iron rod set for corner;

North 31 degrees 51 minutes 28 seconds West (called North 30 degrees 45 minutes 06 seconds East by Deed), a distance of 274.09 feet (274.10 feet by Deed) to a 5/8 inch iron rod set for corner;

North 74 degrees 10 minutes 43 seconds West (called North 73 degrees 04 minutes 06 seconds West by Deed), a distance of 73.00 feet to a 5/8 inch iron rod set for corner;

North 47 degrees 01 minutes 43 seconds West (called North 45 degrees 55 minutes 06 seconds West by Deed), a distance of 219.48 feet to a 5/8 inch iron rod set for corner;

North 35 degrees 40 minutes 43 seconds West (called North 34 degrees 34 minutes 06 seconds West by Deed), a distance of 377.10 feet to a 5/8 inch iron rod set for corner;

North 36 degrees 43 minutes 59 seconds East (called North 37 degrees 50 minutes 54 seconds East by Deed), a distance of 160.95 (160.97 feet by Deed) feet to a 5/8 inch iron rod set for corner;

South 84 degrees 17 minutes 23 seconds East (called South 83 degrees 10 minutes 06 seconds East by Deed), a distance of 35.02 feet (35.00 feet by Deed) to a 5/8 inch iron rod set for corner;

North 46 degrees 15 minutes 17 seconds East (called North 47 degrees 21 minutes 54 seconds East by Deed), a distance of 100.00 feet to a 5/8 inch iron rod set for corner;

North 84 degrees 17 minutes 06 seconds West (called North 83 degrees 10 minutes 06 seconds West by Deed), a distance of 60.02 feet (60.00 feet by Deed) to a 5/8 inch iron rod set for corner;

North 13 degrees 17 minutes 17 seconds West (called North 12 degrees 11 minutes 06 seconds West by Deed), a distance of 174.63 feet to a 5/8 inch iron rod set for corner;

North 47 degrees 53 minutes 58 seconds East (called North 49 degrees 00 minutes 54 seconds East by Deed), a distance of 117.88 feet (177.90 feet by Deed) to a 5/8 inch iron rod set for corner;

North 53 degrees 35 minutes 17 seconds East (called North 54 degrees 41 minutes 54 seconds East by Deed), a distance of 122.60 feet to a 5/8 inch iron rod set for corner;

North 39 degrees 58 minutes 17 seconds East (called North 41 degrees 04 minutes 54 seconds East by Deed), a distance of 122.60 feet to a 5/8 inch iron rod set for corner;

North 15 degrees 50 minutes 11 seconds West (called North 14 degrees 44 minutes 06 seconds West by Deed), a distance of 142.10 feet to a 5/8 inch iron rod set for corner;

North 50 degrees 00 minutes 43 seconds West (called North 48 degrees 54 minutes 06 seconds West by Deed), a distance of 277.40 feet to a 5/8 inch iron rod set for corner;

North 52 degrees 22 minutes 43 seconds West (called North 51 degrees 16 minutes 06 seconds West by Deed), a distance of 114.60 feet to a 5/8 inch iron rod set for corner;

North 49 degrees 52 minutes 43 seconds West (called North 48 degrees 46 minutes 06 seconds West by Deed), a distance of 136.00 feet to a 5/8 inch iron rod set for corner;

North 42 degrees 50 minutes 27 seconds West (called North 41 degrees 43 minutes 24 seconds West by Deed), a distance of 147.20 feet (147.19 feet by Deed) to the **POINT**

EXHIBIT "A"
(Continued)
INDUSTRIAL REINVESTMENT ZONE, NUMBER 032018-01
CITY OF SHERMAN, TEXAS

OF BEGINNING, containing within the metes and bounds herein recited, 112.6372 acres (4,906,478 square feet) of land, more or less.

EXHIBIT "B"
INDUSTRIAL REINVESTMENT ZONE, NUMBER 032018-01,
CITY OF SHERMAN, TEXAS
VICINTY MAP

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.3.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6102

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow a Two-Family Dwelling (Duplex) in a C-1 (Retail Business) District/Central Business District at 205, 209 and 211 East Jones Street, being part of Lot 7, Block 14, Original Town Plat (OTP) (Gerarado and Jemima Anguiano and Jesus Pacheco, Owners); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed $2,000.00

Issue:

To consider the request of Gerarado and Jemima Anguiano and Jesus Pacheco (Owners) concerning the property located at 205, 209 and 211 East Jones Street, being part of Lot 7, Block 14, Original Town Plat (OTP), for a Specific Use Permit to allow a Two-Family Dwelling (Duplex) in a C-1 (Retail Business) District/Central Business District

Background:

The property is located at 205, 209 and 211 East Jones Street between Walnut and Montgomery Streets. The property is zoned a C-1 (Retail Business) District and is also located in the Central Business District. The building was used as a duplex until 2009 when it was switched over to a single-family residence. The current owners would like to use it as a duplex again to rent out one side. There are two bedrooms per side; and parking is available for four cars. The existing finish on the building is wood siding; and there is an existing wood privacy fence surrounding the property.

The Planning and Zoning Commission felt a Specific Use Permit to allow a Two-Family Dwelling (Duplex) was the best option based on the whole block being zoned a C-1 (Retail Business) District and also in the Central Business District. If the duplex ceases, it would remain commercial zoning.

Origination:

Gerarado and Jemima Anguiano and Jesus Pacheco (Owners)

Financial Consideration:

None

Staff Recommendation:

At the February 20, 2018 regular meeting, the Planning and Zoning Board voted 7/0 to recommend to the City Council that a Specific Use Permit to allow a Two-Family Dwelling (Duplex) in a C-1 (Retail Business) District/Central Business District be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6102
Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Building Elevations
Fence
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6102

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 TWO-FAMILY DWELLING (DUPLEX) IN A C-1 (RETAIL BUSINESS) DISTRICT/CENTRAL BUSINESS DISTRICT AT 205, 209 AND 211 EAST JONES STREET, BEING PART OF LOT 7, BLOCK 14, ORIGINAL TOWN PLAT (OTP) (GERARADO AND JEMIMA ANGUIANO AND JESUS PACHECO, OWNERS); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED $2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Planning and Zoning Commission and the City Council, in accordance with the state law and the ordinances of the City of Sherman, have given the required notices and have held the required public hearings regarding this Specific Use Permit; and

WHEREAS, the City Council finds that this use will complement or be compatible with the surrounding uses and community facilities; contribute to, enhance, or promote the welfare of the area of request and adjacent properties; not be detrimental to the public health, safety, or general welfare; and conform in all other respects to all applicable zoning regulations and standards; and

WHEREAS, the City Council finds that it is in the public interest to grant this specific use permit, subject to certain conditions;

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

SECTION 1. That, from and after the passage of this ordinance, Gerarado And Jemima Anguiano and Jesus Pacheco (Owners) are granted a Specific Use Permit to allow a Two- Family Dwelling (Duplex) in a C-1 (Retail Business) District/Central Business District at 205, 209 and 211 East Jones Street, and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

Tract 1

BEING fifty feet off of the east end of Lot No. Seven (7) in Block No. Fourteen (14) Original Town Plat (O. T. P.) of the City of Sherman, Texas, as shown by the plat recorded in Vol. B on page 1, Deed Records of Grayson County, Texas, and more particularly described, as follows:

BEGINNING at the southwest corner of F.W. Cooper's lot in the North side of Jones Street, between Walnut and Montgomery Streets:

THENCE West, with Jones Street, 50 feet to a stake;

THENCE North, parallel with Walnut Street, 75 feet to a stake;

THENCE East, parallel with Jones Street, 50 feet to a stake;

THENCE South, parallel with Montgomery Street, 75 feet to the place of beginning, and being the same· property described in the Deed dated July 29, 1933, from L. R. Stark to Laura Stark, recorded in Vol. 367, page 655, Deed Records of Grayson County, Texas.

Tract 2

BEING the same property conveyed by deed from Glenda Nix, Trustee to Patricia Dannel, dated October 30, 2009, recorded in Volume 4722, Page 818, Official Public Records, Grayson County, Texas.

BEING the middle one-third (1/3rd) of Lot Seven (7) in Block Fourteen (14) of the Original Town Plat (O.T.P.) of Sherman, Texas, as shown by plat recorded in Volume "B", Page 1, Deed records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a point in the North line of East Jones Street 50 feet North 74 deg. East from the Southwest corner of said Lot 7;

THENCE North 16 deg. West 75 feet;

THENCE North 74 deg. East 50 feet;

THENCE South 16 deg. East 75 feet;

THENCE South 74 deg. West 50 feet to the **PLACE OF BEGINNING, and being a tract 50 feet x 75 feet more or less……**

SECTION 2. That this specific use permit is granted on the following conditions:

Planning & Zoning:

1. All aspects of the R-2 (Multi-family Residential) District, the Central Business District and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. A minimum 6 foot fence shall be provided surrounding the development unless an exception is approved.

4. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'.
5. Parking is permitted on paved surfaces only (concrete or asphalt).
6. Residential occupancies shall have one-hour fire separation as required by the construction codes or shall be equipped with fire sprinkler equipment.
7. Review the zoning and development ordinance for additional requirements.
8. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

9. New drive approaches and sidewalks shall conform to City of Sherman standard and a permit is required from the City of Sherman Engineering Department.

SECTION 3. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 8, Subsection (5)(a), Ordinance No. 2280.

SECTION 4. That a person who violates a provision of this ordinance, upon conviction, is punishable by a fine not to exceed $2,000.00.

SECTION 5. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

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

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

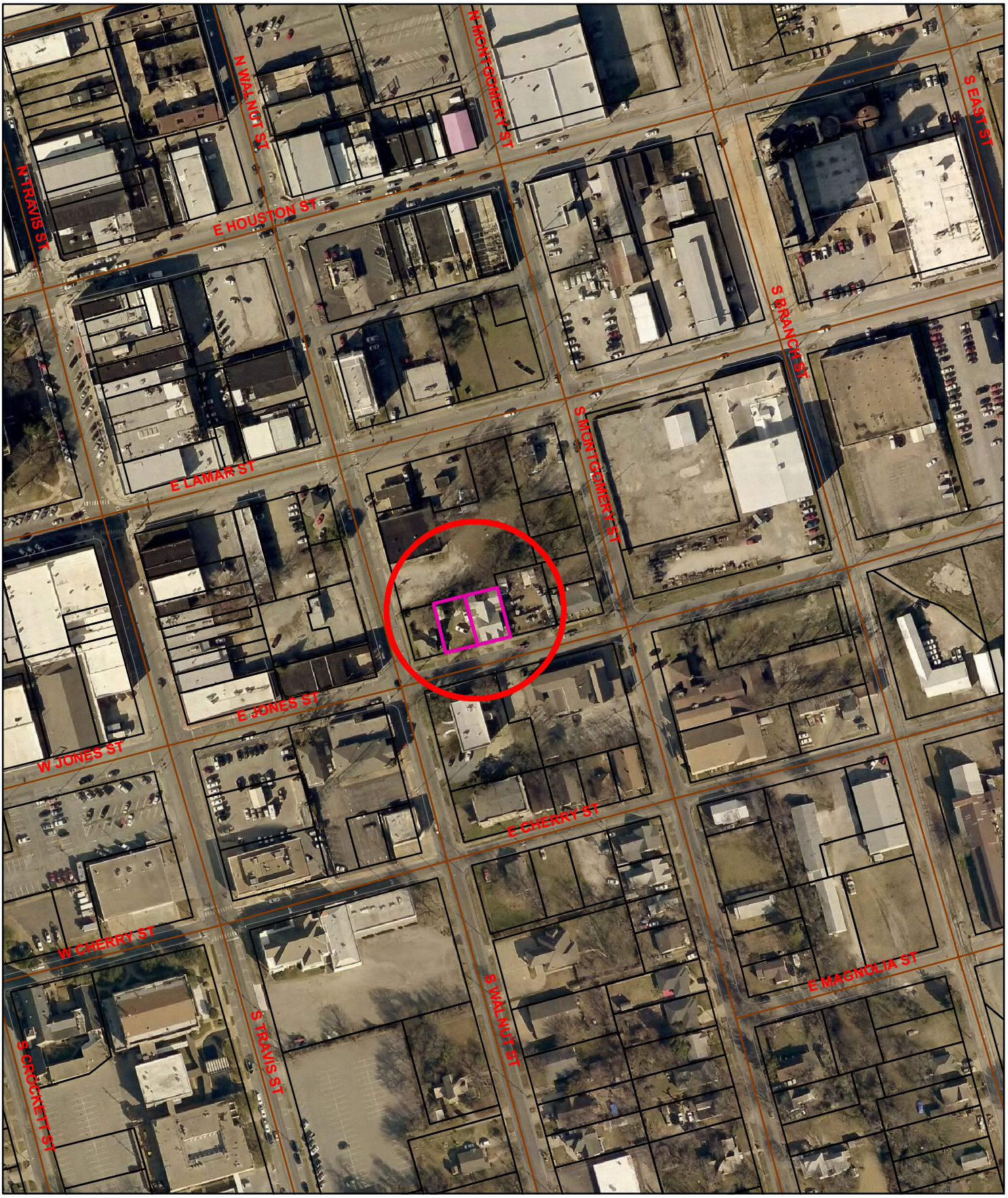
ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY



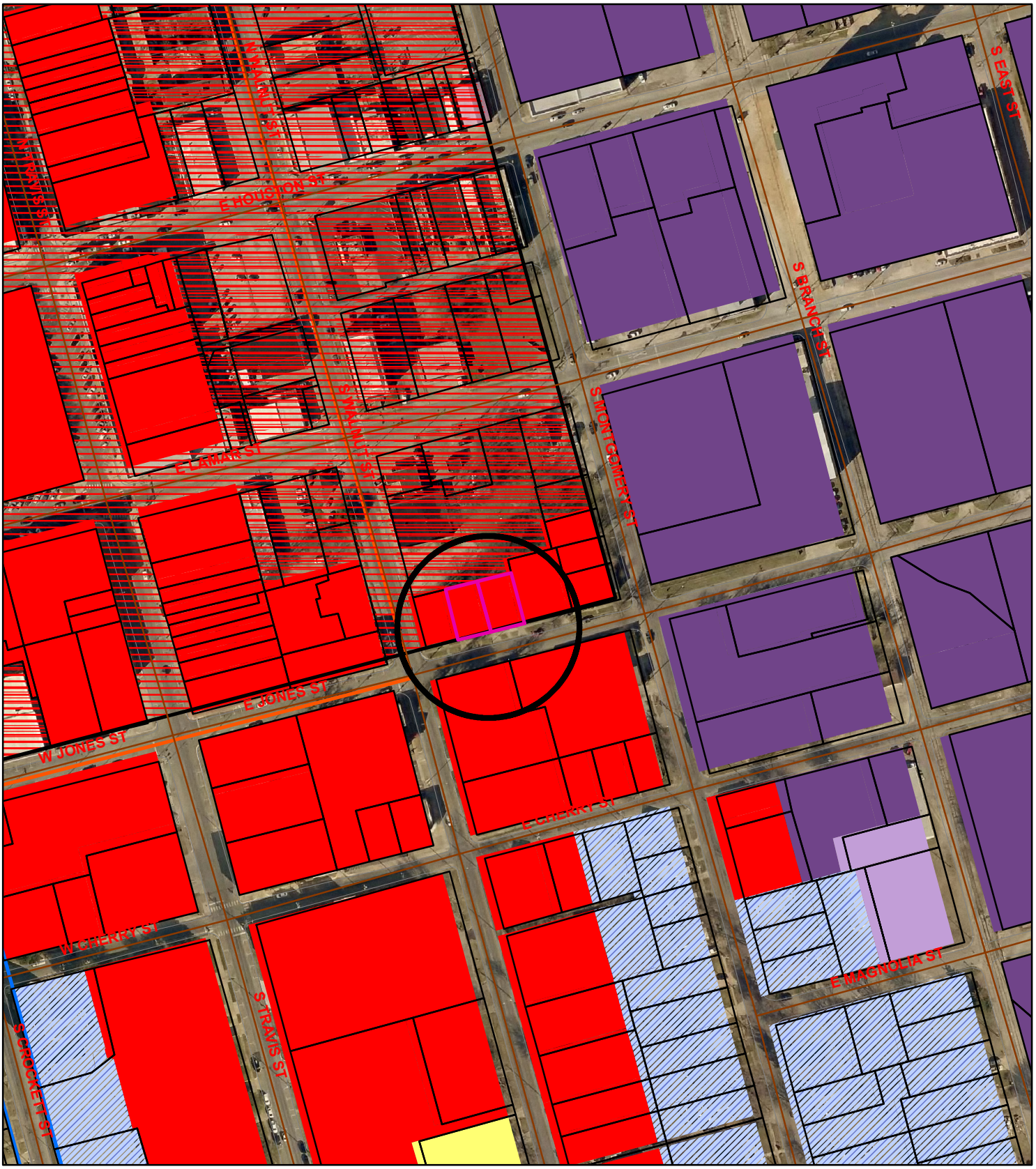
205, 209 & 211 E. Jones

Sherman
CLASSIC TOWN. BROAD HORIZON.

NOT TO SCALE

1 in = 200 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 205, 209 & 211 E. Jones

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

NOT TO SCALE

1 in = 200 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

205, 209 & 211 E. Jones Street

convert from house, back to duplex
and Combine the lots 205 E Jones ST
to 209 and 211 E Jones ST Sherman TX

STAFF REVIEW LETTER

February 13, 2018

Gerarado & Jemima Anguiano
209 E. Jones
Sherman, TX 75090

Jesus Echeverria
209 E. Jones
Sherman, TX 75090

Dear Applicants,

The request for a zone change from a C-1 (Retail Business) District to an R-2 (Multi-family Residential) District for the property located at 205, 209 and 211 East Jones Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the R-2 (Multi-family Residential) District, the Central Business District and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All wall finishes shall be masonry or masonry veneer unless an exception is approved.
4. A minimum 6 foot masonry perimeter wall shall be provided surrounding the development unless an exception is approved.
5. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'.
6. Parking is permitted on paved surfaces only (concrete or asphalt).
7. Residential occupancies shall have one-hour fire separation as required by the construction codes or shall be equipped with fire sprinkler equipment.
8. Review the zoning and development ordinance for additional requirements.
9. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

10. New drive approaches and sidewalks shall conform to City of Sherman standard and a permit is required from the City of Sherman Engineering Department.

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

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

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

Respectfully,

Scott Shadden

Scott Shadden
Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator
Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 11.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

205, 209 & 211 E. JONES STREET

The request of Gerarado and Jemima Anguiano and Jesus Pacheco (Owners) concerning the property located at 205, 209 and 211 East Jones Street, being part of Lot 7, Block 14, Original Town Plat (OTP), as follows:

Planning and Zoning Commission

Zone change and site plan approval under Ordinance No. 2280, Section 12, from a C-1 (Retail Business) District to an R-2 (Multi-Family Residential) District/Central Business District.

Board of Adjustments

- Exception under Ordinance No. 2280, Section 6.3, Subsection (6) to allow an existing building with existing building finishes for a duplex in lieu of the required masonry in an R-2 (Multi-family Residential) District/Central Business District.
- Exception under Ordinance No. 2280, Section 6.3, Subsection (7) to allow an existing 6' wood fence in lieu of the required masonry perimeter wall in an R-2 (Multi-family Residential) District/Central Business District.

Background:

The property is located at 205, 209 and 211 East Jones Street between Walnut and Montgomery Streets. The property is zoned a C-1 (Retail Business) District and is also located in the Central Business District. The building was used as a duplex until 2009 when it was switched over to a single family residence. The current owners would like to use it as a duplex again to rent out one side. There are two bedrooms per side and parking is available for four cars. The existing finish on the building is wood siding and there is an existing wood privacy fence surrounding the property.

Adjacent Zoning:

C-1 (Retail Business) District
C-2 (General Commercial) District

Origination:

Gerarado and Jemima Anguiano and Jesus Pacheco (Owners)

Master Plan Designation:

Urban/Downtown – Buildings are two to five stories and are built right up to the sidewalk, creating a sense of enclosure. Sidewalks provide pedestrian access and streetscape amenities. Parking is available along the street or in small parking lots in the rear of the buildings.

Number of notices mailed:

16

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Elevations
Fence
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.4.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6103

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the SF-1 (Single Family Residential) District in the 200 block of Hilre Drive and the 4900 block of Knollwood Road, being Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One (Young Enterprises, LP, Owners; and Helvey-Wagner Surveying, Inc., Surveyor)

Issue:

To consider the request of Young Enterprises, LP (Owners), Dream to Life Designs (Designer/Draftsman), and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located in the 200 block of Hilre Drive and the 4900 block of Knollwood Road, being Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, for a zone change from a C-1 (Retail Business) District to an SF-1 (Single Family Residential) District

Background:

The property is located in the 200 block of Hilre Drive and the 4900 block of Knollwood Road; the northeast corner of Hilre Lane and Knollwood Road, directly south of the Knollwood Liquor Store. The property is currently zoned a C-1 (Retail Business) District; and the owners are requesting a zone change to an SF-1 (Single Family Residential) District for residential development. The owners plan to build four homes that range from 1,250 to 1,500 square feet with front entry garages.

Origination:

Young Enterprises, LP (Owners)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 20, 2018 regular meeting, the Planning and Zoning Board voted 7/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6103
Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Building Elevations
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6103

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE SF-1 (SINGLE FAMILY RESIDENTIAL) DISTRICT IN THE 200 BLOCK OF HILRE DRIVE AND THE 4900 BLOCK KNOLLWOOD ROAD, BEING LOTS 1, 2 AND 3, BLOCK 1, REPLAT OF BLOCKS 2-9, NORTH CREEK ADDITION, SECTION ONE AND ALL OF BLOCK NO. 1 OF THE REPLAT OF NORTH CREEK ADDITION, SECTION ONE (YOUNG ENTERPRISES, LP, OWNERS; AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the SF-1 (Single Family Residential) District in the 200 Block of Hilre Drive and the 4900 Block Knollwood Road, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING Lots 1, 2 & 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and All of Block No. 1 of the Replat of North Creek Addition, Section One

SECTION 2. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 12, Ordinance No. 2280.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

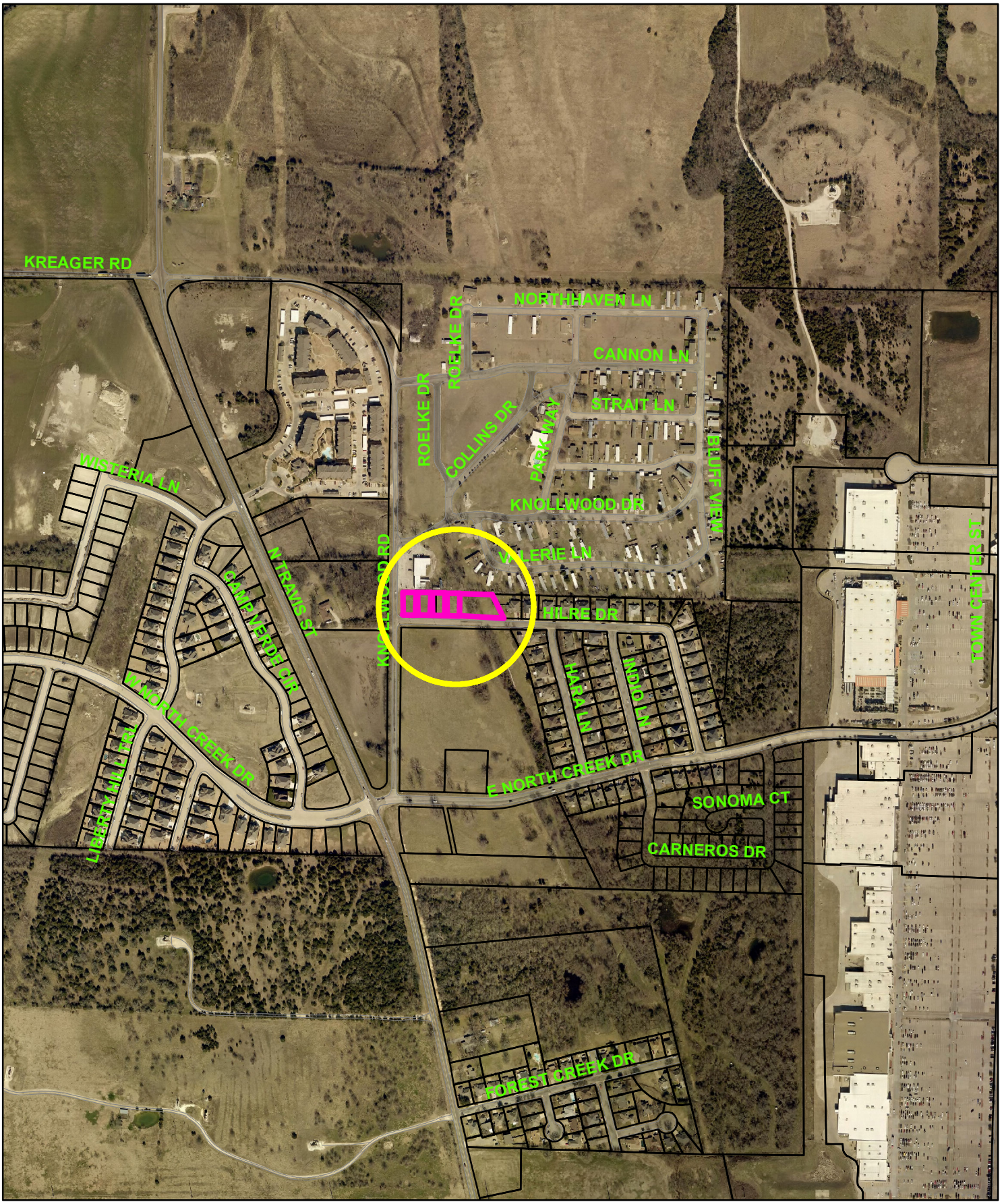
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY



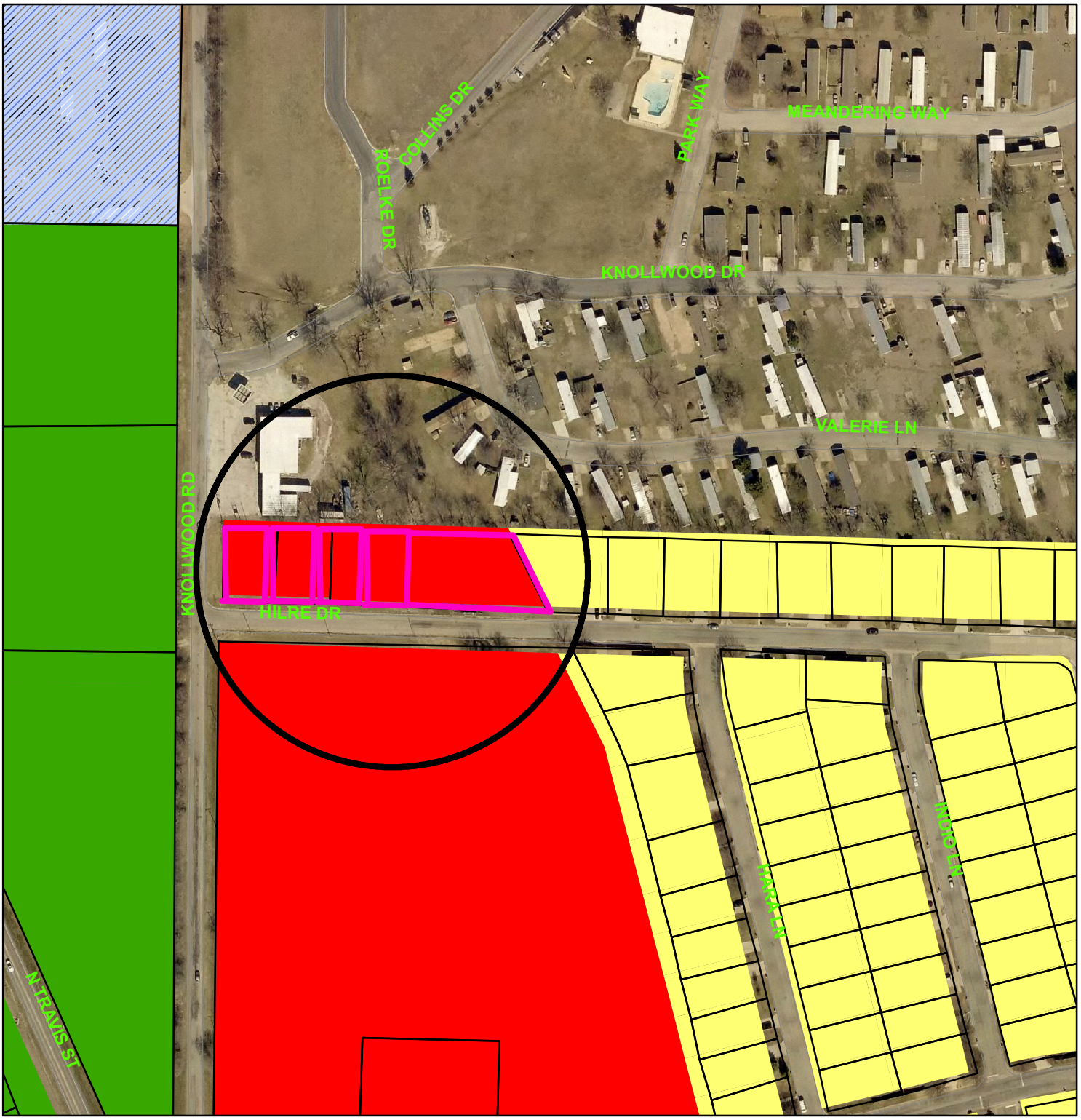
Sherman
CLASSIC TOWN. BROAD HORIZON.

200 Block Hilre Drive & 4900 Block Knollwood Road

NOT TO SCALE

1 in = 600 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 200 Block Hilre Drive & 4900 Block Knollwood Road

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

Sherman
CLASSIC TOWN. BROAD HORIZON.

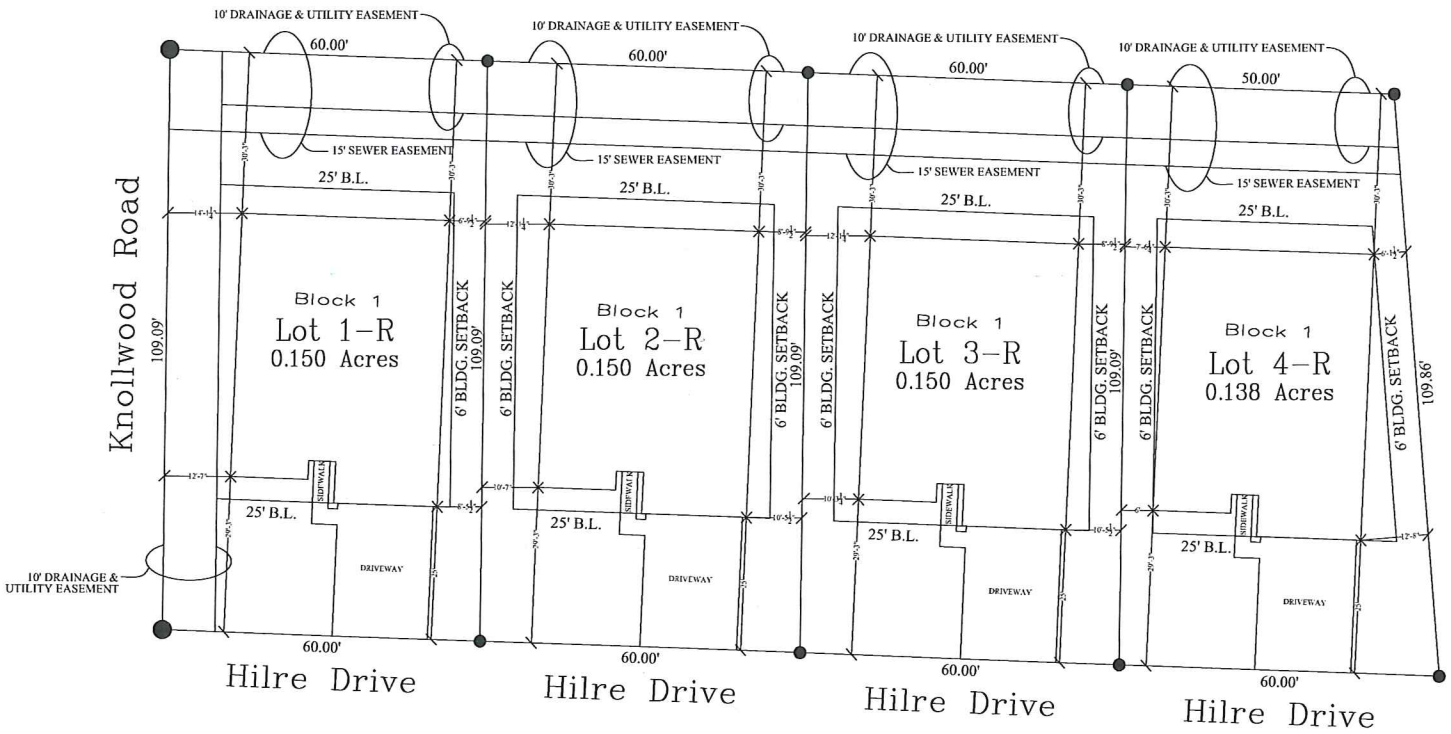
NOT TO SCALE

1 in = 200 ft

City of Sherman, Texas
Developmental Services Department

200 Block Hilre Drive

4900 Block Knollwood Road



YOUNG ENTERPRISES

TBD HILRE DRIVE
SHERMAN, TEXAS

D2LDESIGNS@YAHOO.COM

DATE	01/29/18
SHEET	SITE
SCALE	3/32" = 1'

1246

STAFF REVIEW LETTER

February 14, 2018

Young Enterprises LP
PO Box 517
Sherman, TX 75091

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

Dear Applicants,

The request for a zone change and site plan approval from a C-1 (Retail Business) District to an SF-1 (Single Family Residential) District for the property located in the 200 Block of Hilre Drive and the 4900 Block of Knollwood Road has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the SF-1 (Single Family Residential) District, the fence ordinance and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. Parking shall be provided for one space per bedroom; a parking space is considered to be 9'x20.
4. Parking is permitted on paved surfaces only (concrete or asphalt).
5. Review the zoning and development ordinance for additional requirements.
6. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

7. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
8. Replatting of the property is required.
9. All requirements of the Floodplain Ordinance should be followed.
10. Water Pro-Rata will be due at the time of development.
11. Verify sewer location; extension may be required.

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

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

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

Respectfully,

Scott Shadden
Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator
Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 19.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

200 BLOCK HILRE DRIVE & 4900 BLOCK KNOLLWOOD ROAD

The request of Young Enterprises LP (Owners) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located in the 200 Block of Hilre Drive and the 4900 Block of Knollwood Road, being Lots 1, 2 & 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and All of Block No. 1 of the Replat of North Creek Addition, Section One, as follows:

Planning and Zoning Commission

Zone change and site plan approval under Ordinance No. 2280, Section 12, from a C-1 (Retail Business) District to an SF-1 (Single Family Residential) District.

Background:

The property is located in the 200 block of Hilre Drive and the 4900 block of Knollwood Road; the northeast corner of Hilre Drive and Knollwood Road. The property was zoned a C-1 (Retail Business) District in 1987; but was never developed. The owners are requesting a zone change to an SF-1 (Single Family Residential) District for residential development. They are replatting the property into five lots and plan to build homes on four of the lots that range from 1,250 to 1,350 square feet.

Adjacent Zoning:

R-1 (One Family Residential) District
SF-1 (Single Family Residential) District
C-1 (Retail Business) District

Origination:

Young Enterprises LP (Owners)
Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

7

Objections Received:

0

Attachments

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

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.5.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6104

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the C-O (Office) District at 1200 North East Street, being 0.316 acres in the J.B. McAnair Survey, Abstract No. 763 and being all of Lots 1 and 2, Block 2, Kerr's Bloomfield Addition and a 40' x 145' tract of land (KS & D R3, LLC, Owners; Terrin Bertholf, Representative; Austin Hoover, Designer; and Helvey-Wagner Surveying, Inc., Surveyor)

Issue:

To consider the request of KS & D R3, LLC (Owners), Terrin Bertholf (Representative), Austin Hoover (Designer), and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located at 1200 North East Street, being 0.316 acres in the J.B. McAnair Survey, Abstract No. 763 and being all of Lots 1 and 2, Block 2, Kerr's Bloomfield Addition and a 40 x 145' tract of land, for a zone change from an R-1 (One Family Residential) District to a C-O (Office) District

Background:

The property is located at 1200 North East Street; the northwest corner of Vernon Holland Memorial Drive and North East Street, and is currently zoned an R-1 (One Family Residential) District. The building was formerly used as a church but has been vacant for a while. When the property was functioning as a church, it was functioning with a Specific Use Permit. That designation did not convey to the new owner. The property does not have any parking capacity onsite to accommodate the church. Currently there is no improved parking on the site, only street parking. The owners would like turn the 2,935 square foot existing building into St. James Office Suites, a multi-tenant professional office with four offices, a common area, two interior parking spaces, and five improved (concrete) exterior parking spaces.

At the February 20, 2018 Meeting, the Board of Adjustments granted the following:

- Variance to allow a 3'3" front setback in lieu of 25' required and a 3'8" side yard setback in lieu of the required 10' for an existing building and patio screen
- Exception to allow a 6' fence, 5' from the front and side property line in lieu of 25' required.

Origination:

KS & D R3, LLC (Owners)
Terrin Bertholf (Representative)
Austin Hoover (Designer)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 20, 2018 regular meeting, the Planning and Zoning Board voted 6/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter. Commission Member Downtain abstained because of a conflict of interest.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6104
Location Map
Zoning Map
Zoning Sign Photo
Survey
Site Plan
Building Elevations
Building Elevations 2
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6104

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE C-O (OFFICE) DISTRICT AT 1200 NORTH EAST STREET, BEING 0.316 ACRES IN THE J.B. MCANAIR SURVEY, ABSTRACT NO. 763 AND BEING ALL OF LOTS 1 AND 2, BLOCK 2, KERR'S BLOOMFIELD ADDITION AND A 40' X 145' TRACT OF LAND (KS & D R3, LLC, OWNERS; TERRIN BERTHOLF, REPRESENTATIVE; AUSTIN HOOVER, DESIGNER; AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the C-O (Office) District at 1200 North East Street, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

SITUATED in the City of Sherman, County of Grayson, State of Texas, and being a part of the J.B. McAnair Survey, Abstract No. 763, being all of Lots 1 and 2, Block 2, J.S. Kerr's Bloomfield Addition to the City of Sherman, Texas as per plat of record in Volume 92, Page 393, Deed Records, Grayson County, Texas and all of the "called" 40 ft. by 145 ft. tract of land conveyed by Sheriff's Deed from G.W. Blanton, Sheriff, Grayson County, Texas to St. James United Methodist Church to Sherman, Texas on June 6, 1972 as recorded in Volume 1221, Page 496, said Deed Records, (said Methodist Church 40 ft. by 145 ft. tract being that portion of said tract lying East of and adjoining the East line of the 84 ft. by 145 ft. tract of land (described as Tract 1 and Tract 2) conveyed to Hugo Avila in Volume 4504, Page 228, Official Public Records, Grayson County, Texas) and being more particularly described as one tract by metes and bounds as follows to-wit:

BEGINNING at a 1/2 inch capped rebar set, stamped "RPLS 6578" at the intersection of the West line of East Street with the North line of Vernon Holland Memorial Drive (platted as East Kerr Street), at the Southeast corner of both said Lot 1 and the herein described tract;

THENCE South 74 deg. 40 min. 11 sec. West, with the North line of said Vernon Holland Memorial Drive and the South line of said Lots 1 and 2 and said Methodist Church 40 ft. by 145 ft. tract, a distance of 104.35 ft. to a 1/2 inch capped rebar set, stamped "RPLS 6578" at the Southeast corner of said Avila 84 ft. by 145 ft. tract, the "monumented" Southwest corner of said Methodist Church 40 ft. by 145 ft. tract and the Southwest corner of the herein described tract, SAID rebar being North 74

deg. 40 min. 11 sec. East, 84.00 ft. from a 1/2 inch capped rebar found, stamped "5837 Fiti" at the Southwest corner of said Avila tract;

THENCE North 14 deg. 22 min. 08 sec. West, with the "monumented" West line of said Methodist Church 40 ft. by 145 ft. and the East line of said Avila tract, passing a 1 inch iron rod found at 140.96 ft. and continuing for a TOTAL distance of 145.01 ft. to a 1/2 inch capped rebar set, stamped "RPLS 6578" in the South line of Lot 9, said Block 2, J.S. Kerr's Bloomfield Addition, at the "monumented" Northwest corner of said Methodist Church 40 ft. by 145 ft. tract, the Northeast corner of said Avila tract and the Northwest corner of the herein described tract;

THENCE North 74 deg. 39 min. 48 sec. East, with the South lines of said Lot 9 and Lot 8, said Block 2 and the North line of said Methodist Church 40 ft. by 145 ft. tract, a distance of 30.97 ft. to a 1/2 inch capped rebar set, stamped "RPLS 6578" at the Northeast corner of said United Methodist 40 ft. by 145 ft. tract, an Ell corner of said Lot 8 and the most Northern Northeast corner of the herein described tract;

THENCE South 15 deg. 42 min. 06 sec. East, with the East line of said Methodist Church 40 ft. by 145 ft. tract and a West line of said Lot 8, a distance of 16.00 ft. to a 1/2 inch capped rebar set, stamped "RPLS 6578" at a Southwest corner of said Lot 8, the Northwest corner of said Lot 2 and an Ell corner of the herein described tract;

THENCE North 74 deg. 39 min. 48 sec. East, with the South line of said Lot 8 and the North line of said Lot 2, passing the Southeast corner of said Lot 8 and the Southwest corner of Lot 7, said Block 2, J.S. Kerr's Bloomfield Add. at a distance of 20.00 ft., continuing now with the South line of said Lot 7, passing the Northeast corner of said Lot 2 and the Northwest corner of said Lot 1, continuing now with the North line of said Lot 1 for a total distance of 70.00 ft. to a point in the West line of said East Street, at the Northeast corner of said Lot 1 and the most Eastern Northeast corner of the herein described tract;

THENCE South 15 deg. 42 min. 06 sec. East, with the West line of said East Street and the East lines of said Lot 1, a distance of 129.00 ft. to the **PLACE OF BEGINNING and containing 0.316 ACRES of land.……**

SECTION 2. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 12, Ordinance No. 2280.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

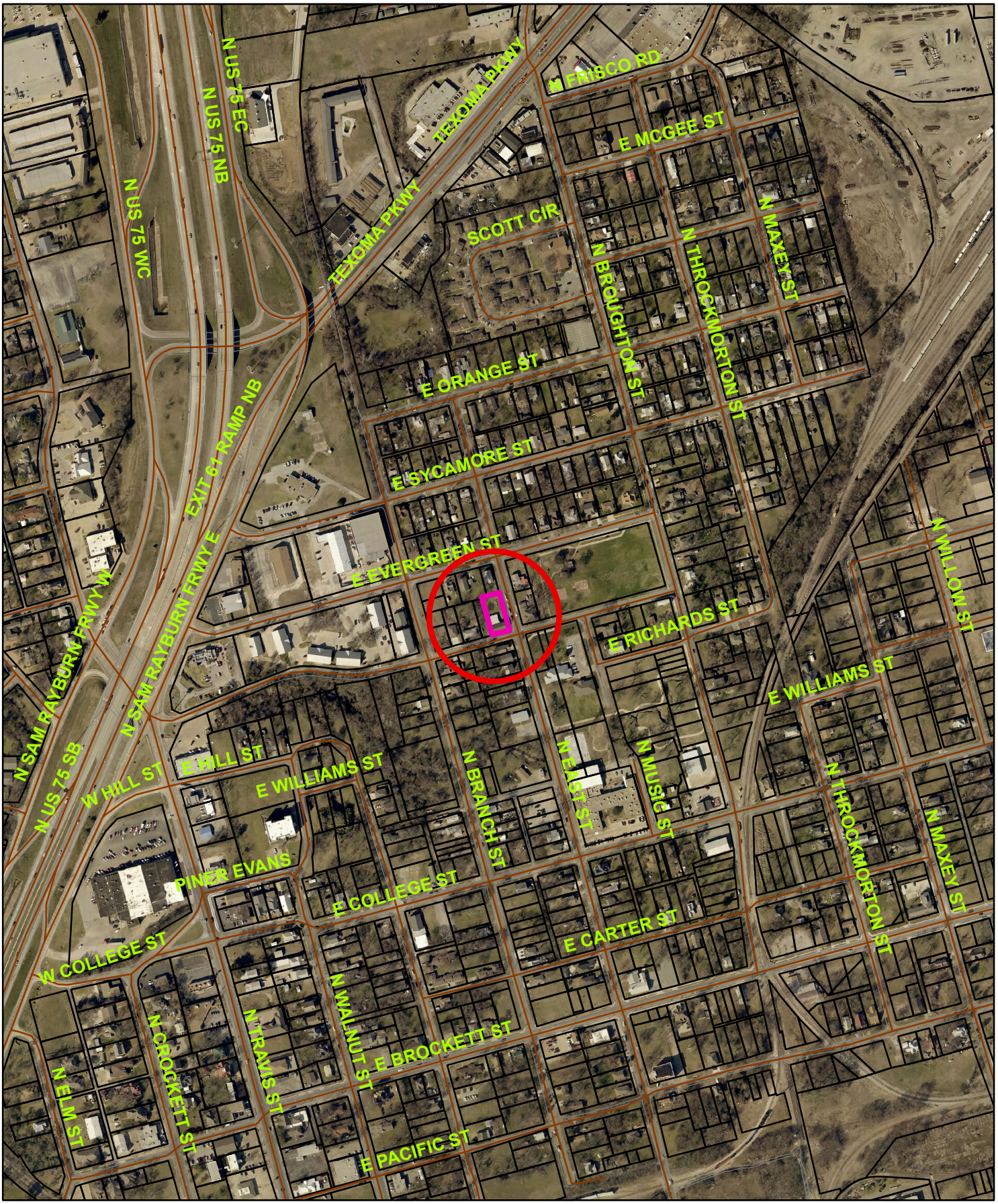
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY



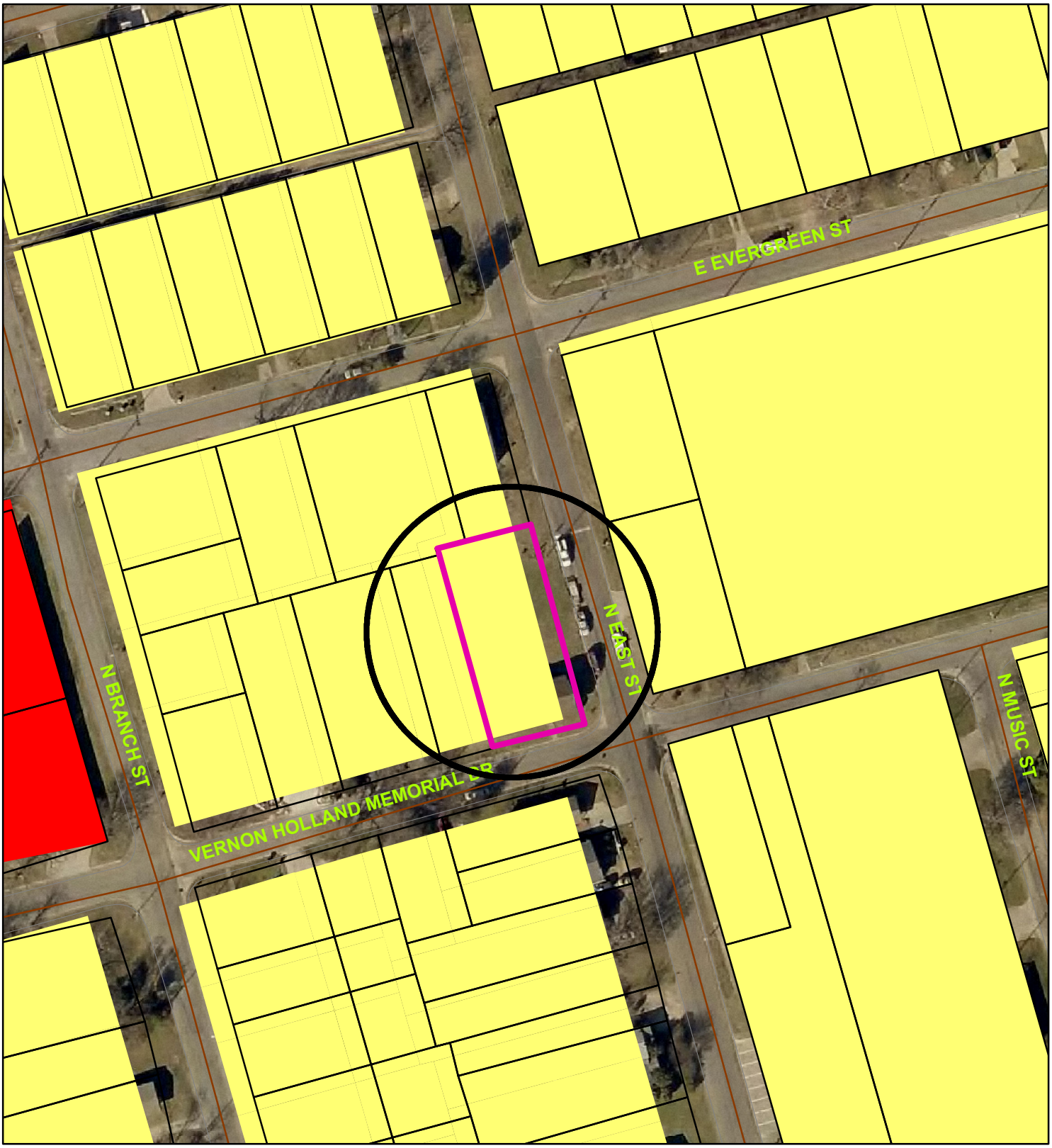
Sherman
CLASSIC TOWN. BROAD HORIZON.

1200 N. East Street

NOT TO SCALE

1 in = 500 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 1200 N. East Street

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

Sherman
CLASSIC TOWN. BROAD HORIZON.

NOT TO SCALE

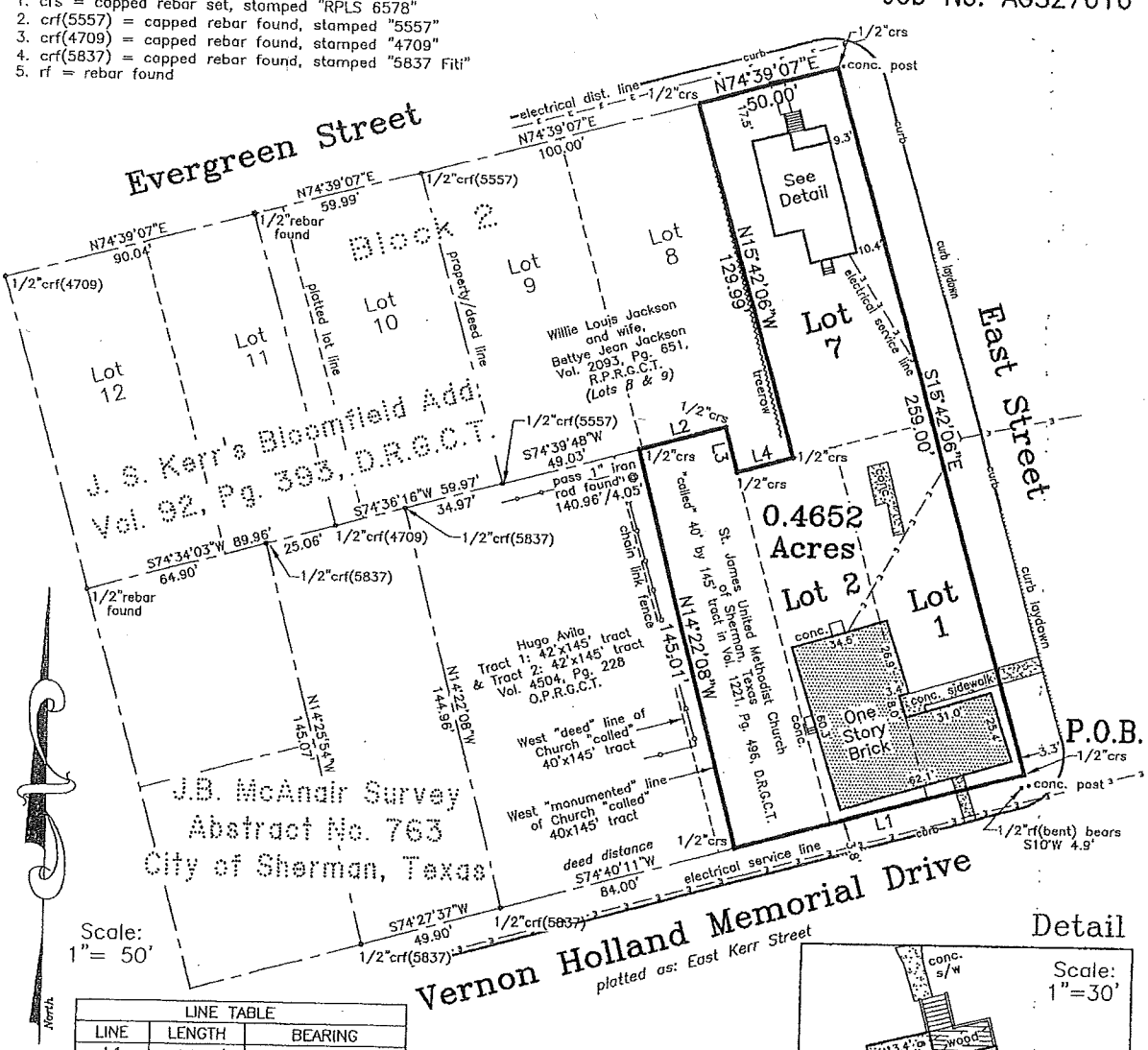
1 in = 100 ft

City of Sherman, Texas
Developmental Services Department

1200 N. East Street

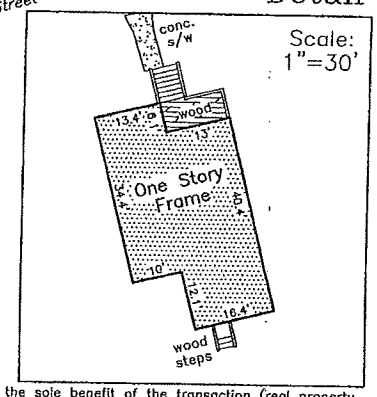
Legend:
1. crs = capped rebar set, stamped "RPLS 6578"
2. crf(5557) = capped rebar found, stamped "5557"
3. crf(4709) = capped rebar found, stamped "4709"
4. crf(5837) = capped rebar found, stamped "5837 Fiti"
5. rf = rebar found

Job No. AGS27616



LINE TABLE		
LINE	LENGTH	BEARING
L1	104.35'	S74°40'11"W
L2	30.97'	N74°39'48"E
L3	16.00'	S15°42'06"E
L4	20.00'	N74°39'48"E

Detail



Bearing Base:
Grid North: as derived from a "survey grade" global positioning system (GPS), operated in the Texas State Plane coordinate system, North Central Zone. The distances shown hereon are ground distances.

Owner: Saint James Methodist Church of Sherman, Texas, St. James Methodist Church, Inc. and St. James United Methodist Church of Sherman, Texas

Buyer: KS&D R3, LLC

Address: 1200 N. East Street, Sherman, Texas

This survey was prepared for the sole benefit of the transaction (real property purchase) by and between the Owner and Buyer stated hereon, and is null and void for any other transactions. Any other use of this survey without the sole consent of the undersigned surveyor is prohibited, and would infringe upon state and federal copyright statutes. Any violation of said statutes will be aggressively pursued.

I, Kate A. Wagner, Registered Professional Land Surveyor, do hereby certify that a survey was performed on the ground of the property shown hereinabove and that this survey complies with both the General Rules of Procedures and Practices as adopted by the Texas Board of Professional Land Surveying and the current Texas Society of Professional Surveyors standards and is a true and correct representation of the property shown hereon.

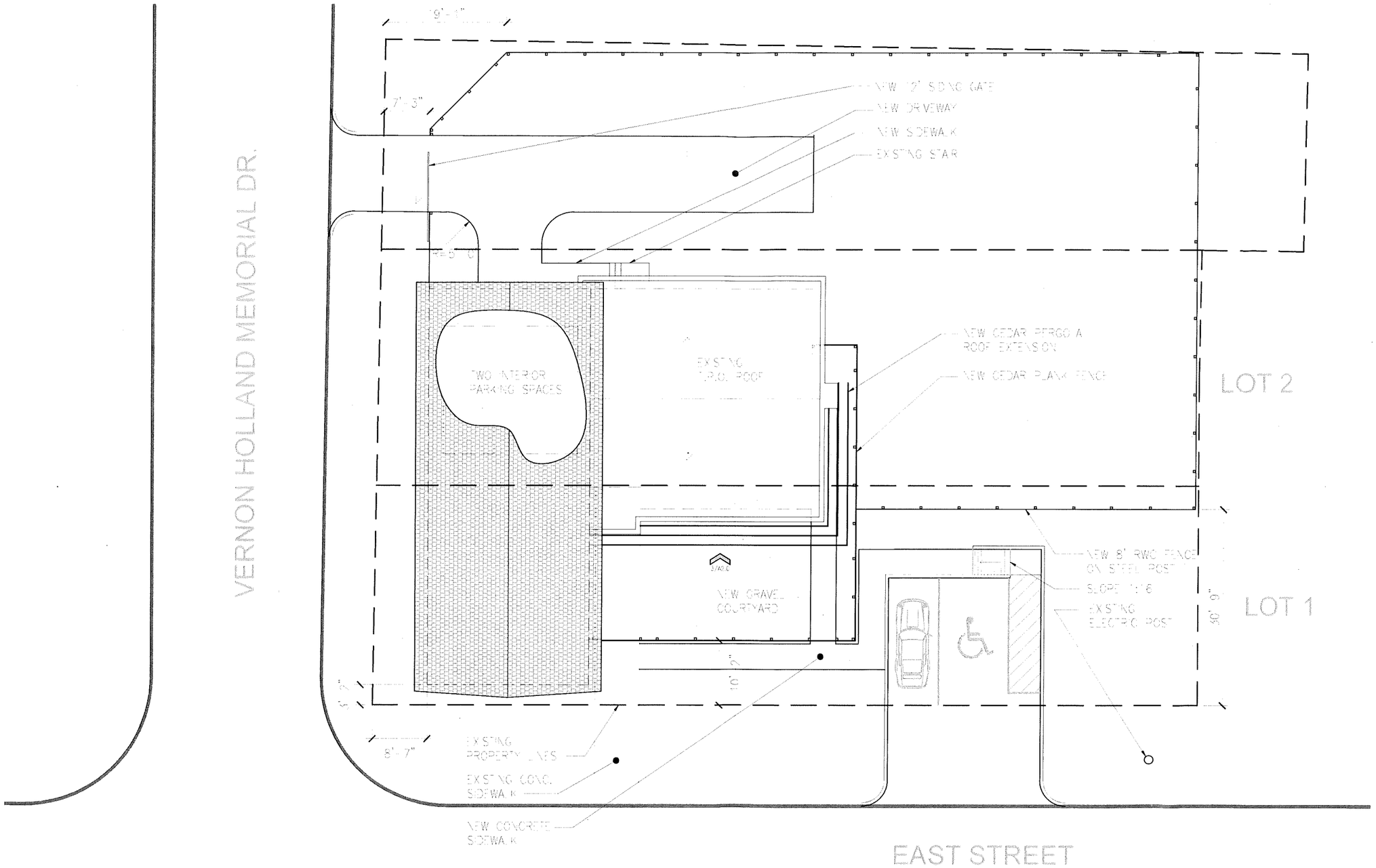
Legal Description is as follows: Lots 1, 2 and 7, Block 2, J. S. Kerr's Bloomfield Addition, to the City of Sherman, Texas, as per plat of record in Volume 92, Page 393, Deed Records, Grayson County, Texas, and a "called" 40 ft. wide by 145 ft. deep tract of land adjoining said Lot 2 on the West. See the attached Field Notes for the metes and bounds description of said Lots 1, 2 and 7 and said 40 ft. by 145 ft. tract, as one tract of land.

The subject property shown hereon does not lie within the limits of any designated 100-year Flood Hazard Areas, as shown on the "FEMA" Flood Insurance Rate Map for Grayson County, Texas, Map No. 48181C0290 F, Revised Date: September 29, 2010.

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

KATE A. WAGNER
6578

Kate A. Wagner, R. P. L. S. No. 6578
Copyright Date: June 15, 2016



1 SITE PLAN
1/16" = 1'-0"

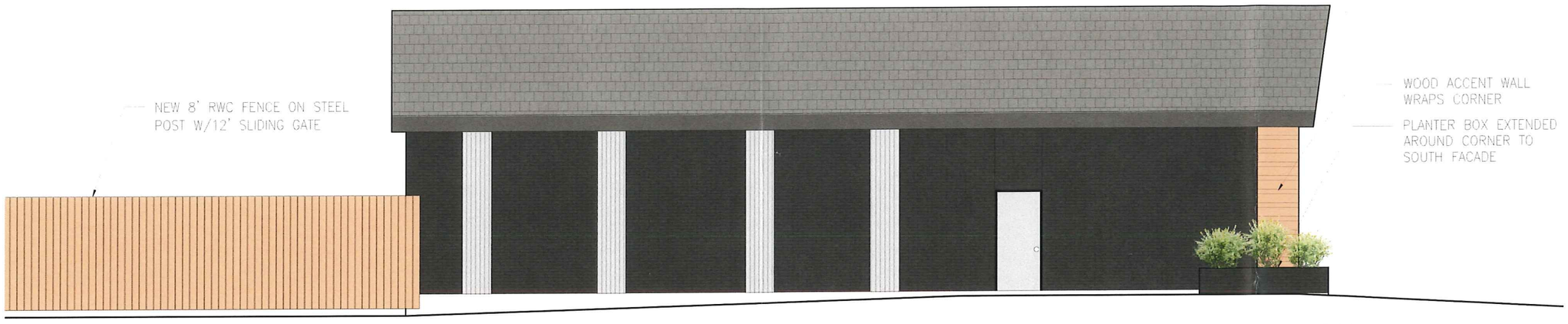
AUSTIN HOOVER
903-815-2901
aphoover12@gmail.com

OWNER RISEN PROPERTIES

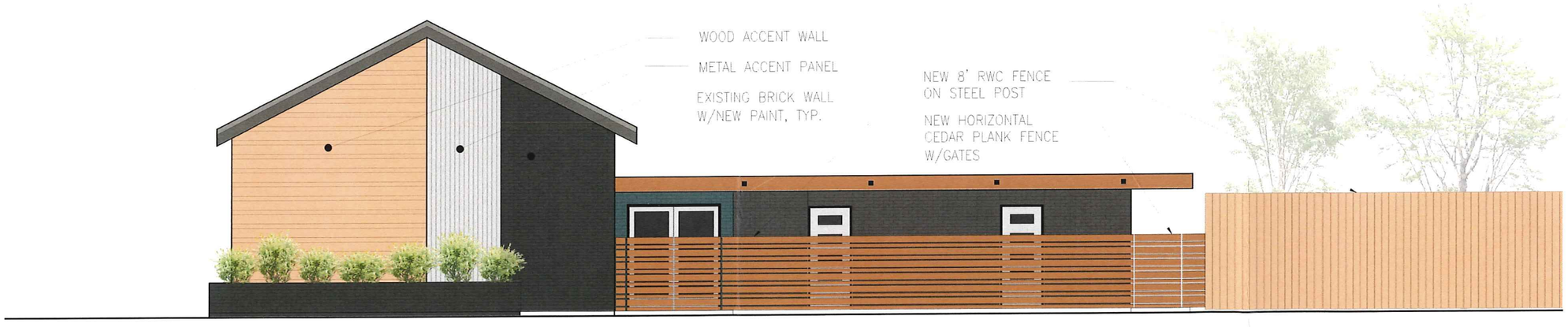
ST JAMES OFFICE SUITES

A1.0
SITE PLAN

01.25.18



1 SOUTH ELEVATION
1/8" = 1'-0"



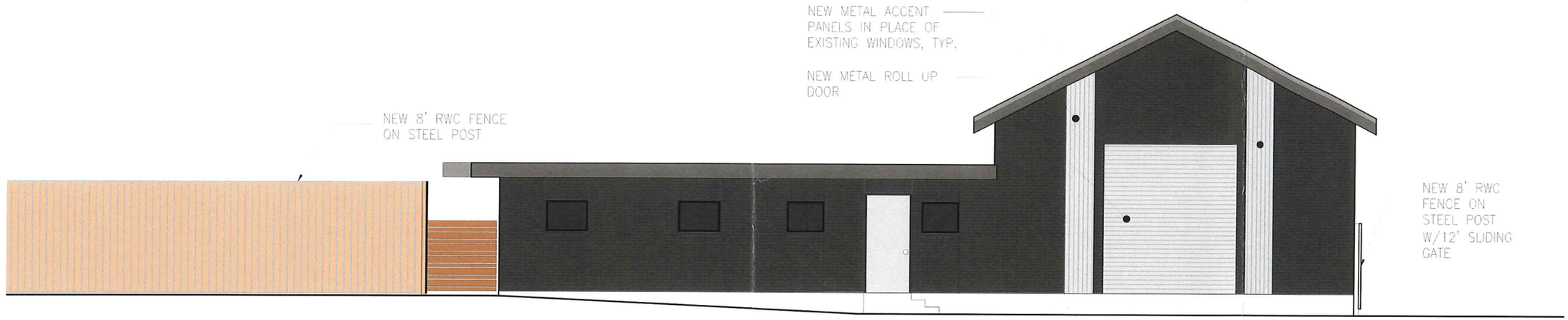
2 EAST ELEVATION
1/8" = 1'-0"

AUSTIN HOOVER
903-815-2901
aphoover12@gmail.com

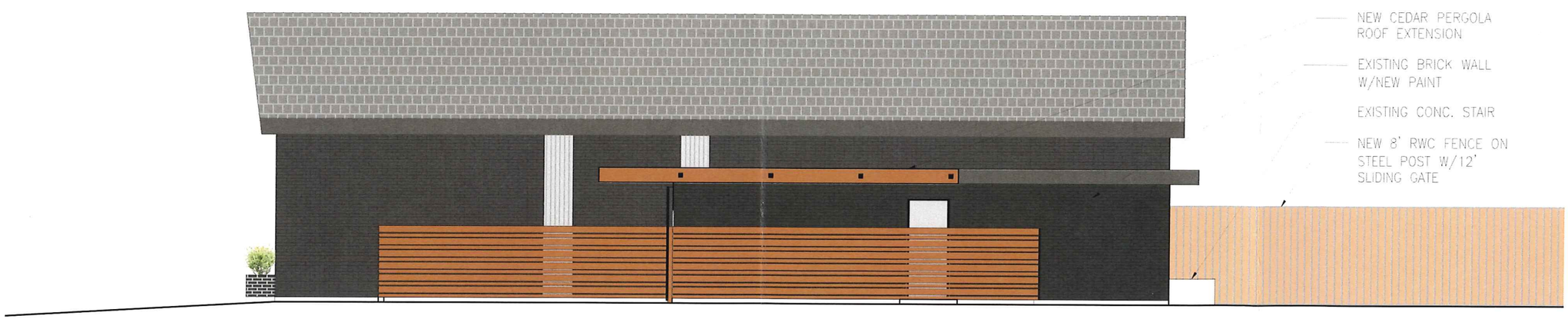
OWNER RISEN PROPERTIES
ST. JAMES OFFICE SUITES

A2.0
EXTERIOR ELEVATIONS

01.25.18



1 WEST ELEVATION
1/8" = 1'-0"



2 NORTH ELEVATION
1/8" = 1'-0"

AUSTIN HOOVER
903-815-2901
aphoover12@gmail.com

OWNER RISEN PROPERTIES
ST. JAMES OFFICE SUITES

A2.1
EXTERIOR ELEVATIONS

01.25.18

STAFF REVIEW LETTER

February 14, 2018

KS & D R3, LLC
PO Box 3032
Sherman, TX 75091

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

Terrin Berholf
1532 S. Montgomery
Sherman, TX 75090

Dear Applicants,

The request for a zone change and site plan approval for St. James Office Suites from an R-1 (One Family Residential) District to a C-O (Office) District for the property located at 1200 North East Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the C-O (Office) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. The parking ratio required is one space per 400 square feet of building.
4. A parking space is considered to be 9' x 20'.
5. Parking is permitted on paved surfaces only (concrete or asphalt).
6. Review the zoning and development ordinance for additional requirements.
7. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

8. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from the City of Sherman Engineering Department.
9. Parking will be permitted on improved surfaces only.

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

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

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

Respectfully,

Scott Shadden
Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator
Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 20.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

1200 N. EAST STREET

The request of KS & D R3, LLC (Owners), Terrin Bertholf (Representative), Austin Hoover (Designer) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located at 1200 North East Street, being Lots 1 & 2, Block 2, Kerr's Bloomfield Addition, as follows:

Planning and Zoning Commission

Zone change and site plan approval under Ordinance No. 2280, Section 12, from an R-1 (One Family Residential) District to a C-O (Office) District.

Board of Adjustments

- Variance under Ordinance No. 2280, Section 6.3 ½, Subsection (1) to allow a 3'3" front setback in lieu of 25' required and a 3'8" side yard setback in lieu of the required 10' for an existing building and patio screen in a C-O (Office) District.
- Exception under Ordinance No. 2280, Section 7, Subsection (13)(h) to allow an 8' fence, 5' from the Vernon Holland Memorial Drive property line in lieu of 25' required and 25' from East Street property line in lieu of 6' fence permitted in a C-O (Office) District.

Background:

The property is located at 1200 North East Street; the northwest corner of Vernon Holland Memorial Drive and East Street and is zoned an R-1 (One Family Residential) District. The building used to be a church, but has been vacant for a while. The owner would like turn the 2,935 square foot existing building into St. James Office Suites.

Adjacent Zoning:

R-1 (One Family Residential) District

Origination:

KS & D R3, LLC (Owners)
Terrin Bertholf (Representative)
Austin Hoover (Designer)
Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

Public/Institutional – The Public and Institutional character type includes schools, churches, and other public services for the City. Buildings may be designed to act as landmarks and this urban design adds flair to a neighborhood.

Number of notices mailed:

26

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Survey
Site Plan
Elevations
Elevations 2
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.6.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6105

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-2 (Multi-Family Residential) District in the 200 block of West Lake Street and West Forest Avenue and the 1700 block of South Elm Street and South Crockett Street, being all of Block 6 of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition (R2 Concepts, LLC, Owners; Alejandro H. Pena, Jr., Designer; and Preston Trail Land Surveying, Surveyor)

Issue:

To consider the request of R2 Concepts, LLC (Owners), Alejandro H. Pena, Jr. (Designer), and Preston Trail Land Surveying (Surveyor) concerning the property located in the 200 block of West Lake Street and West Forest Avenue and the 1700 block of South Elm and South Crockett Streets, being all of Block 6 of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition, for a zone change from an M-1 (Light Manufacturing) District to an R-2 (Multi-Family Residential) District

Background:

The property is located in the 200 block of West Lake Street and West Forest Avenue and the 1700 block of South Elm and South Crockett Streets. The property is a vacant block bounded by West Lake Street on the north, South Crockett Street on the east, West Forest Avenue on the south, and South Elm Street on the west. The block is split by an existing 16' east-west alley with eight lots facing north to West Lake Street and eight lots facing south to West Forest Avenue. The property is currently zoned an M-1 (Light Manufacturing) District.

The owners would like to build two-story duplexes on each of the existing lots; each unit would have three bedrooms with three parking spaces (a one car garage and two parking spaces in the driveway). The exterior finish on the buildings will be stucco. An exception was approved to allow a 6’ wood privacy fence with brick columns spaced 24’ on center or less in lieu of the required masonry perimeter wall at the February 20, 2018 Planning and Zoning Commission Meeting.

Origination:

R2 Concepts, LLC (Owners)
Alejandro H. Pena, Jr. (Designer)
Preston Trail Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 20, 2018 regular meeting, the Planning and Zoning Board voted 7/0 to recommend to the City Council that the zone change be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6105
Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Floor Plan
Color Elevations
Elevations
Fence
Letter from Harvey-Linda Kimsey
Letter from Jason Kimsey
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6105

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT IN THE 200 BLOCK OF WEST LAKE STREET AND WEST FOREST AVENUE AND THE 1700 BLOCK OF SOUTH ELM STREET AND SOUTH CROCKETT STREET, BEING ALL OF BLOCK 6 OF THE REPLAT OF BLOCKS FOUR, FIVE, SIX, FIFTEEN, SEVENTEEN, TWENTY-NINE, THIRTY, THIRTY-ONE, FORTY AND FORTY-ONE OF SOUTHSIDE ADDITION (R2 CONCEPTS, LLC, OWNERS; ALEJANDRO H. PENA, JR., DESIGNER; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the R-2 (Multi-family Residential) District in the 200 Blocks of West Lake Street and West Forest Avenue and the 1700 Block of South Elm and South Crockett Streets, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING all of Block 6 of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition

SECTION 2. That this ordinance shall not become effective until entered upon the official zoning map as provided in Section 12, Ordinance No. 2280.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the _____ day of _____, 2018.

ADOPTED on this the _____ day of _____, 2018.

EFFECTIVE DATE on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

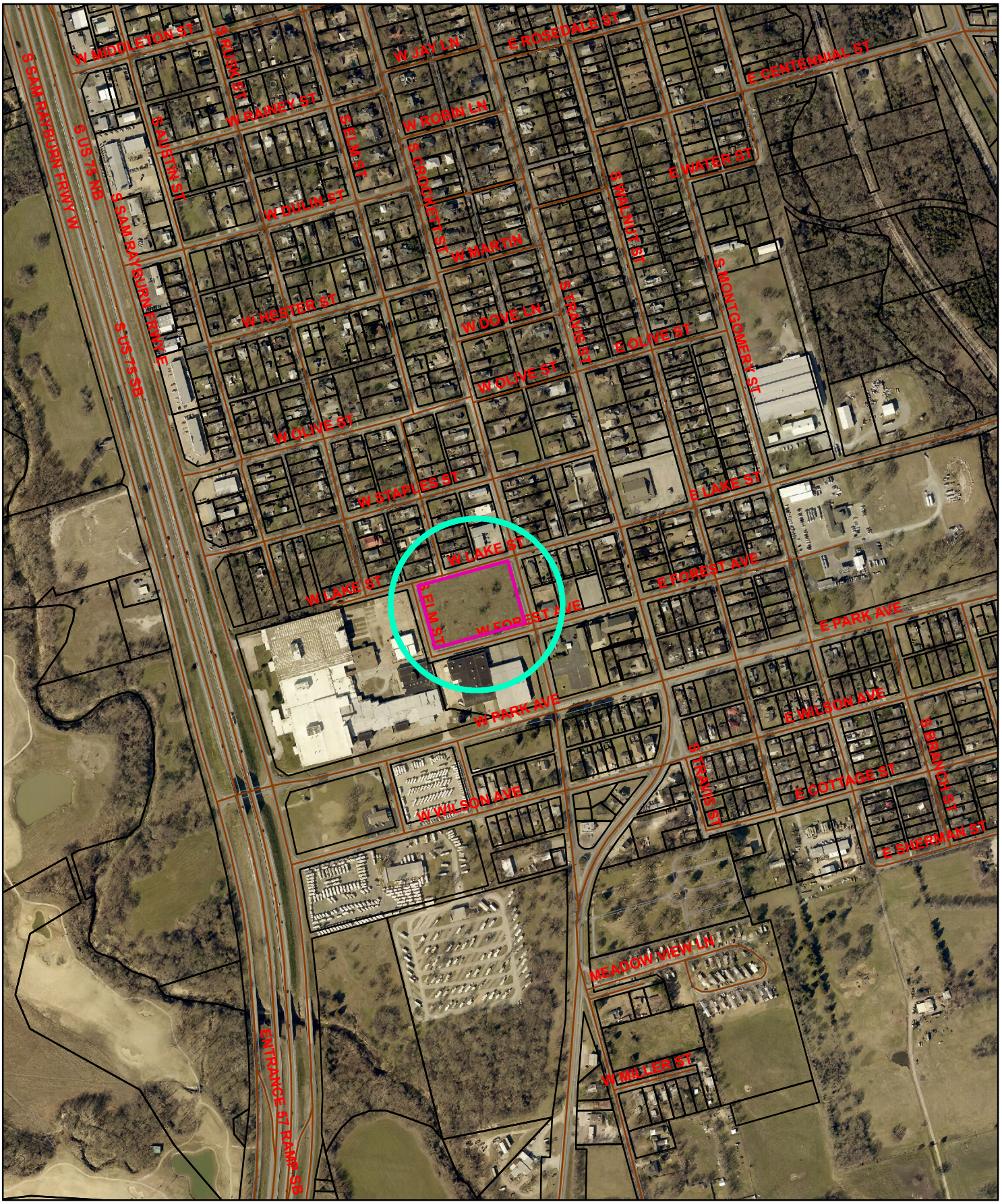
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY



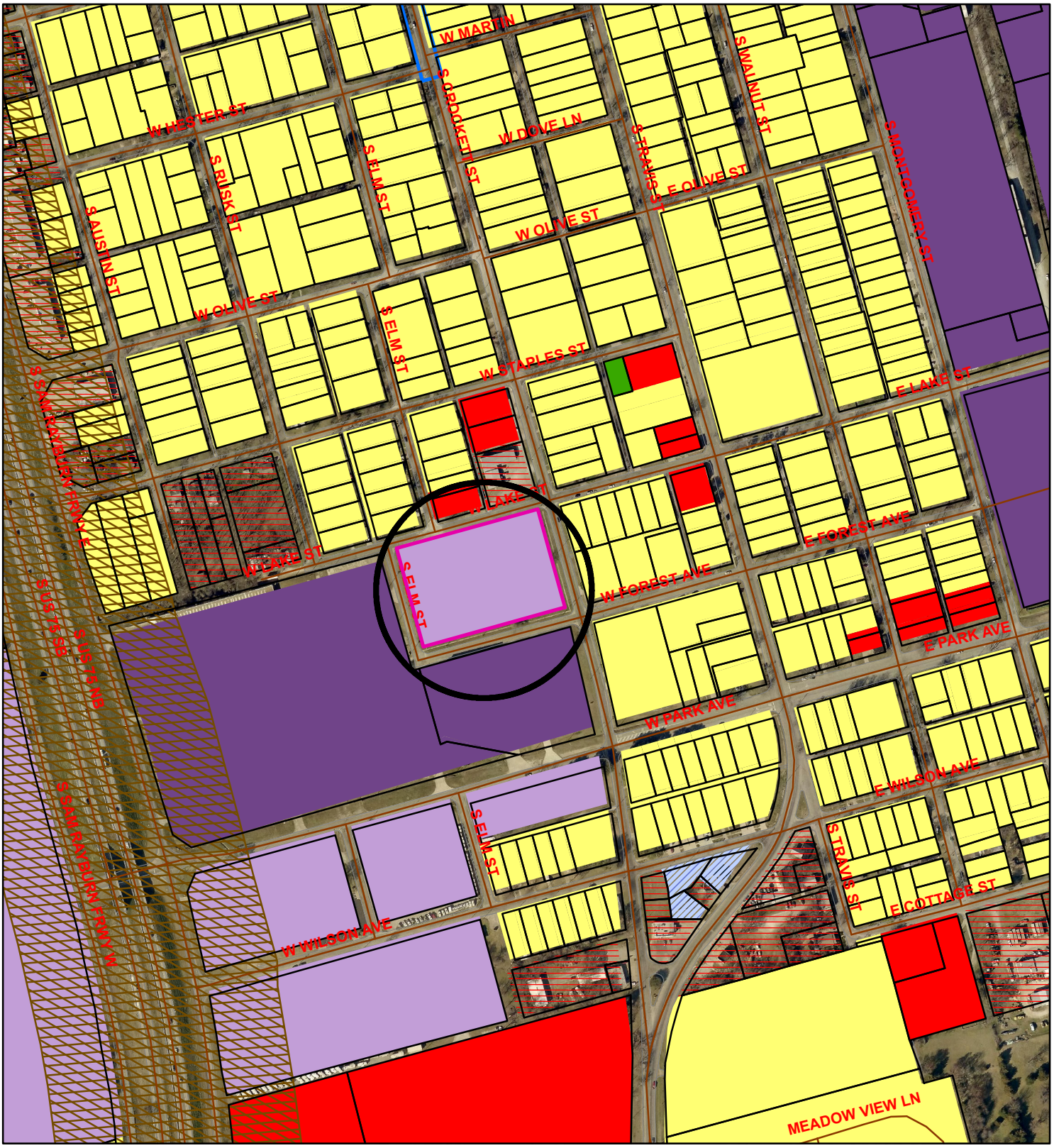
Sherman
CLASSIC TOWN. BROAD HORIZON.

200 Block W. Lake & W. Forest Ave. & 1700 Block S. Elm & Crockett

NOT TO SCALE

1 in = 600 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 200 Block W. Lake & W. Forest Ave. & 1700 Block S. Elm & Crockett

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

NOT TO SCALE

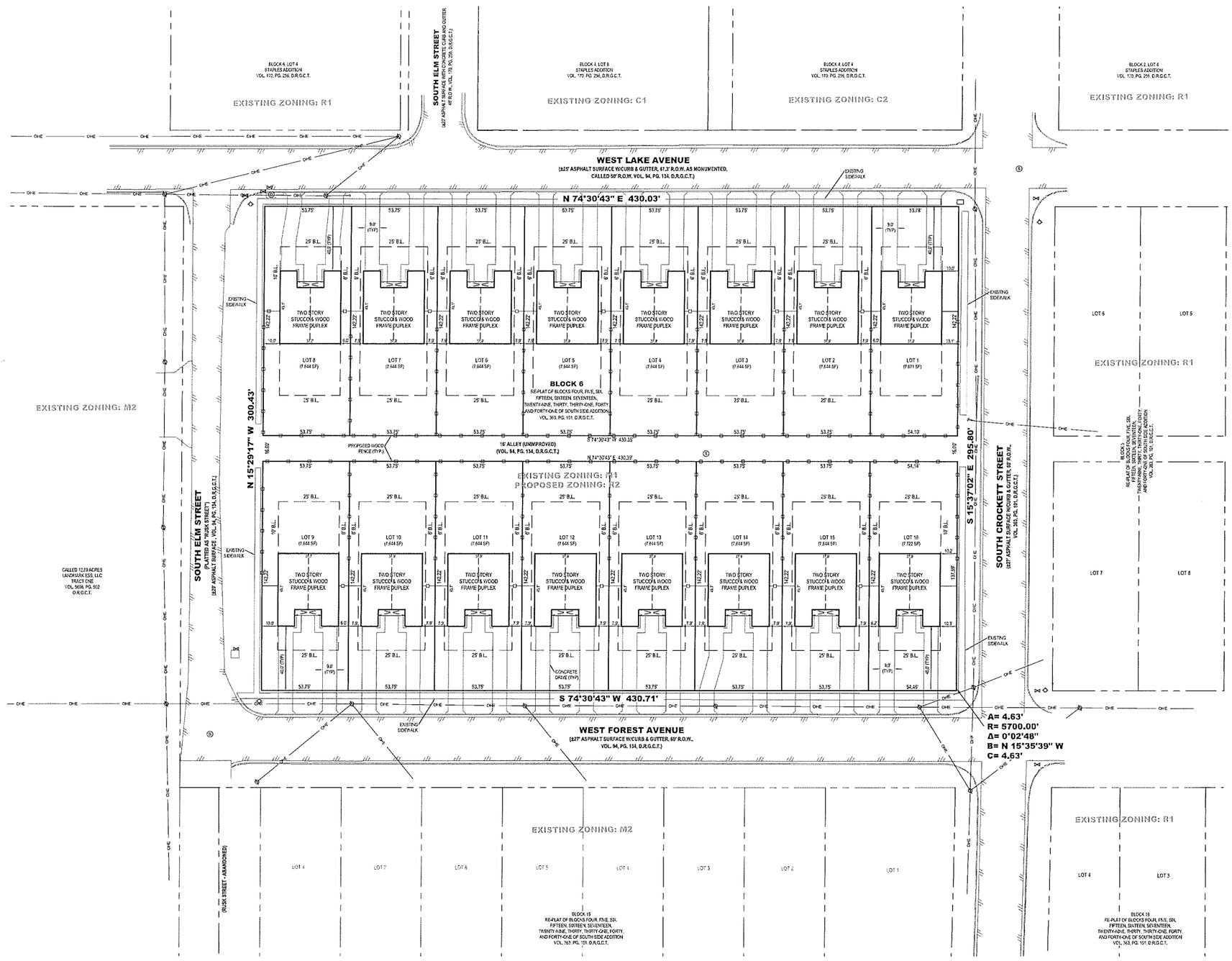
1 in = 400 ft

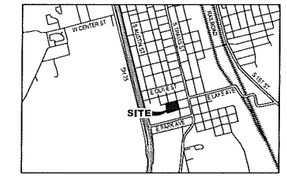
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

1700 Block S. Crockett

200 Block W. Lake





VICINITY MAP
(NOT TO SCALE)

GRAPHIC SCALE IN FEET
0 15 30

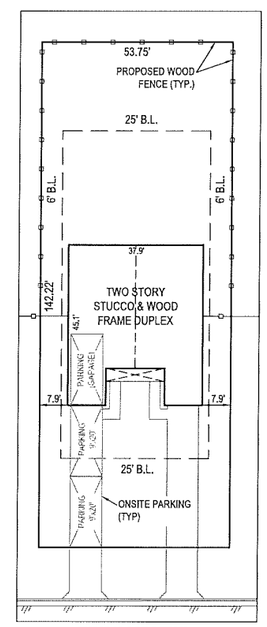
All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

LEGEND

R.O.W.	RIGHT-OF-WAY
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
VOL., PG.	VOLUME, PAGE
B.L.	BUILDING LINE
	UTILITY/POWER POLE
	GUY
	FIRE HYDRANT
	WATER VALVE
	SANITARY SEWER MANHOLE
	STORM DRAIN MANHOLE
	BOUNDARY LINE
	ADJOINER LINE
	BUILDING LINE
	WOOD FENCE
	ASPHALT
	OVERHEAD ELECTRIC/UTILITY

GENERAL NOTES:

1. This survey was completed without the benefit of of a title commitment. Easements and/or other matters of record may affect the surveyed property. The Surveyor did not perform an Abstract of Title.



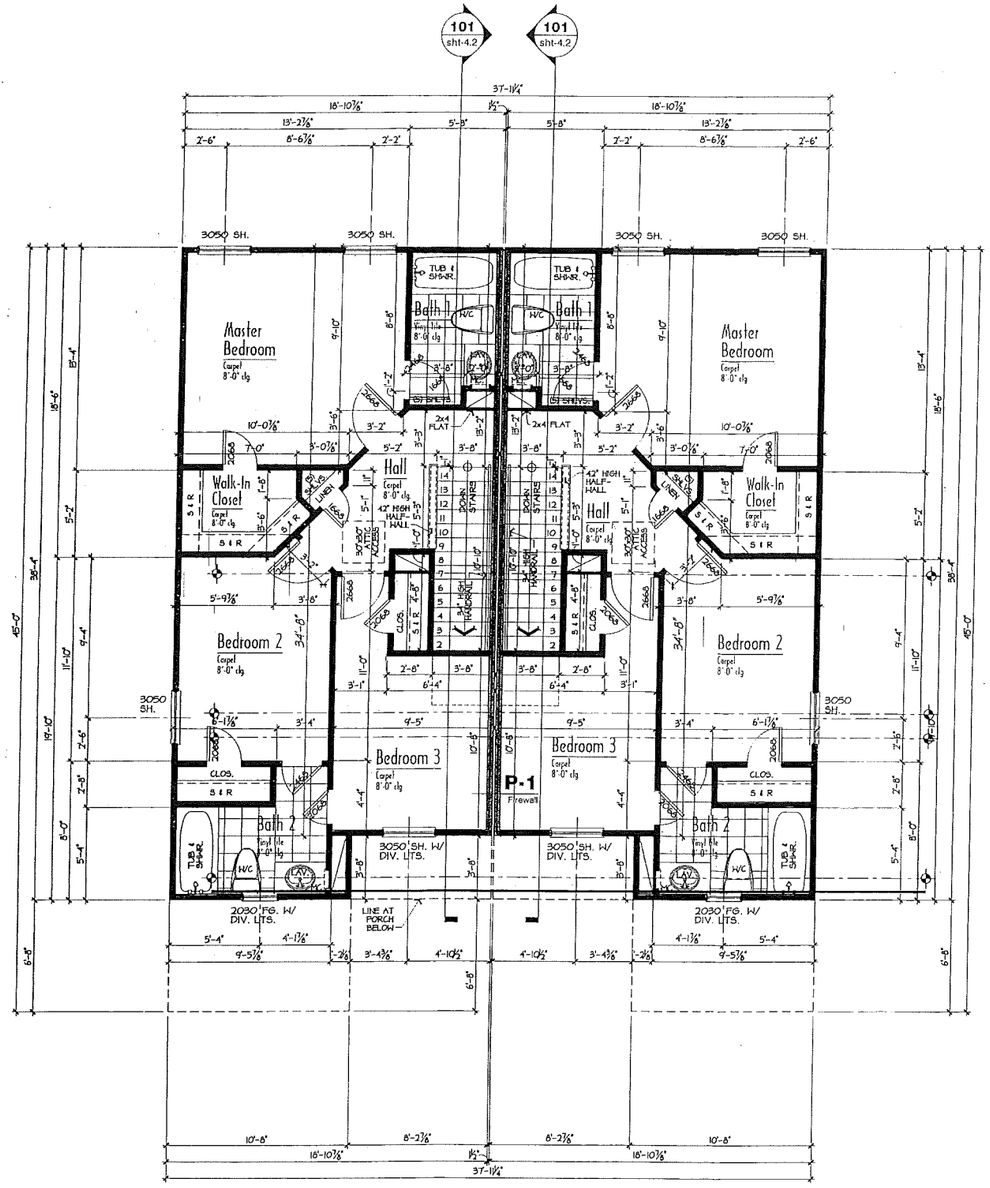
TYPICAL LOT DETAIL

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

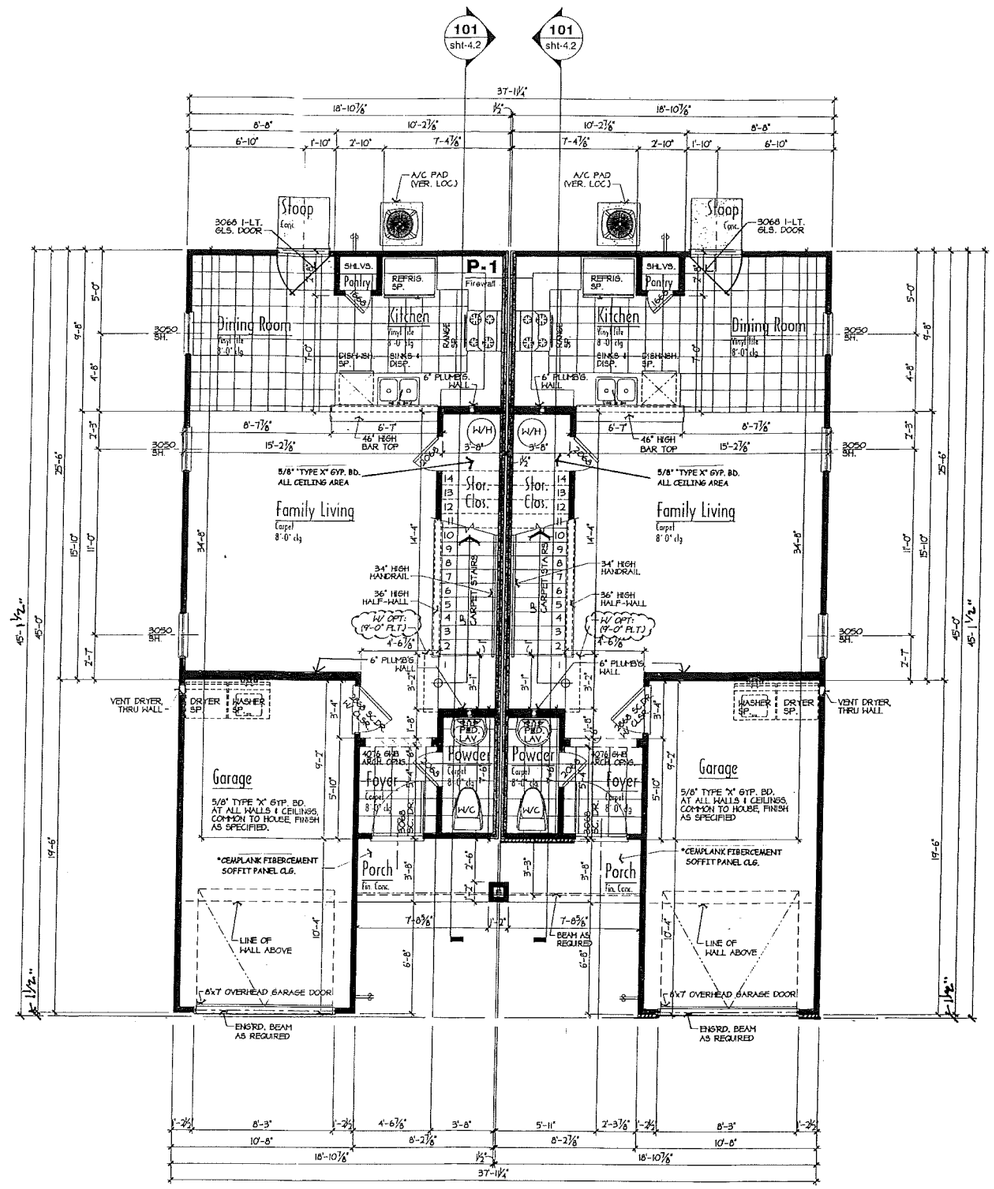
SITE PLAN
SOUTHSIDE ADDITION
BLOCK G, LOTS 1-16
EXISTING ZONING: M1
PROPOSED ZONING: R2

Preston Trail LAND SURVEYING
83493 N. State Hwy 289, Suite 5
Pottsboro, TX 75076
www.prestontrailandsurveying.com
903-786-6029

TBPLS Firm No. 10194105	Drawn By: BNH Checked By: CRN	Scale: 1"=30'	Project No. 18-0013
		Date: 07/20/2018	Sheet No. 1 of 1



Second Floor Plan Sc: 1/4" = 1'-0"



First Floor Plan Sc: 1/4" = 1'-0"

Areas: Unit-"A"	
First Floor:	561 SQ FT
Second Floor:	658 SQ FT
TOTAL:	1219 SQ FT
Porch:	30 SQ FT
Garage:	205 SQ FT

Areas: Unit-"D"	
First Floor:	561 SQ FT
Second Floor:	658 SQ FT
TOTAL:	1219 SQ FT
Porch:	30 SQ FT
Garage:	205 SQ FT

2-Unit Building-"A-D"

2

UPDATE IRC2009

Alejandro H. Peña Jr.
DESIGNER
14014 OAK SUMMIT SAN ANTONIO, TEXAS 210 574-6446

TESORO HOMES

Project: Wurzbach Townhomes

Sheet Title

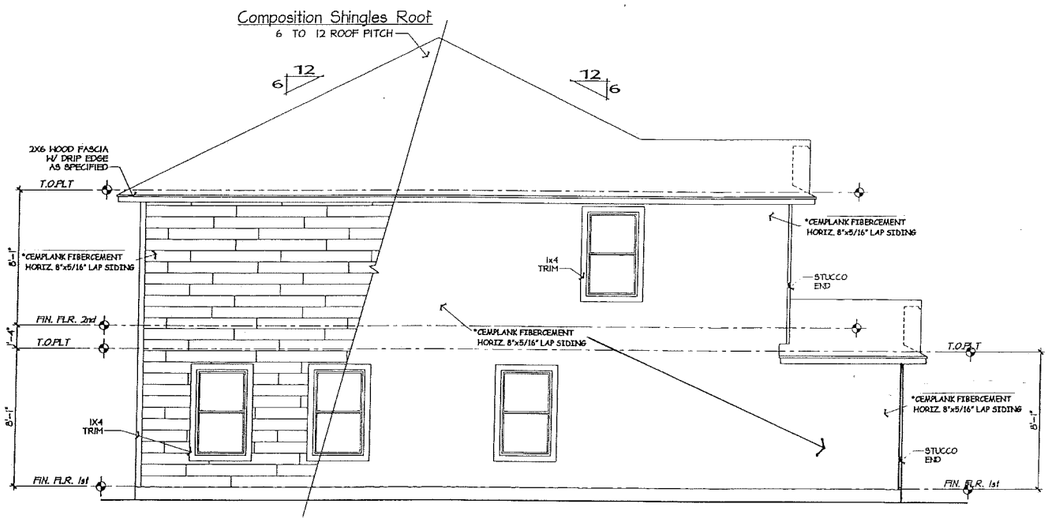
1st Floor
2nd Floor Plan

Job No:
1010801

Date: 11.10.08
Revised: 03.30.09
From frame walk w/ Tesoro 04.23.09

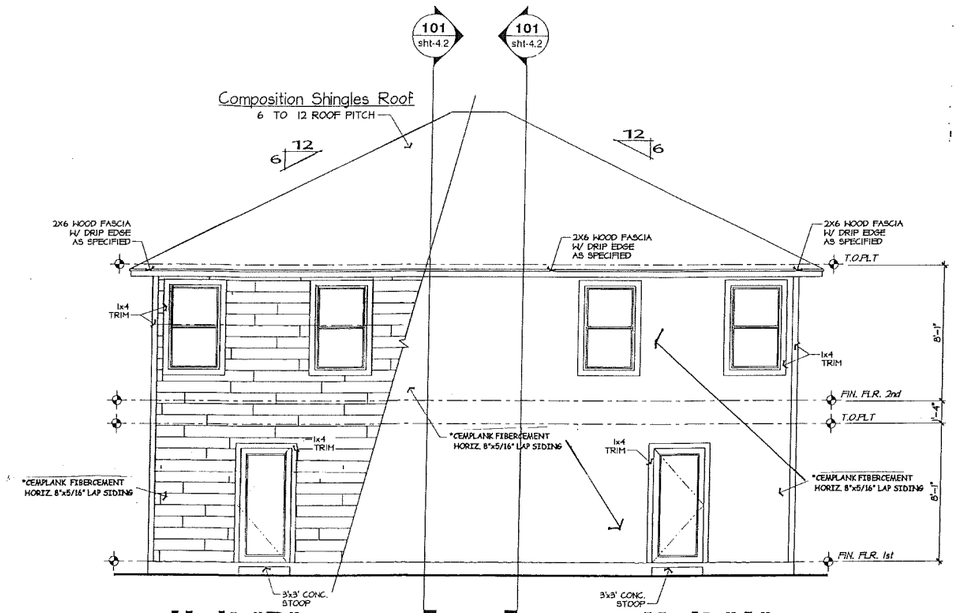
A1-2
1 of 5
Sheet

Exhibit B



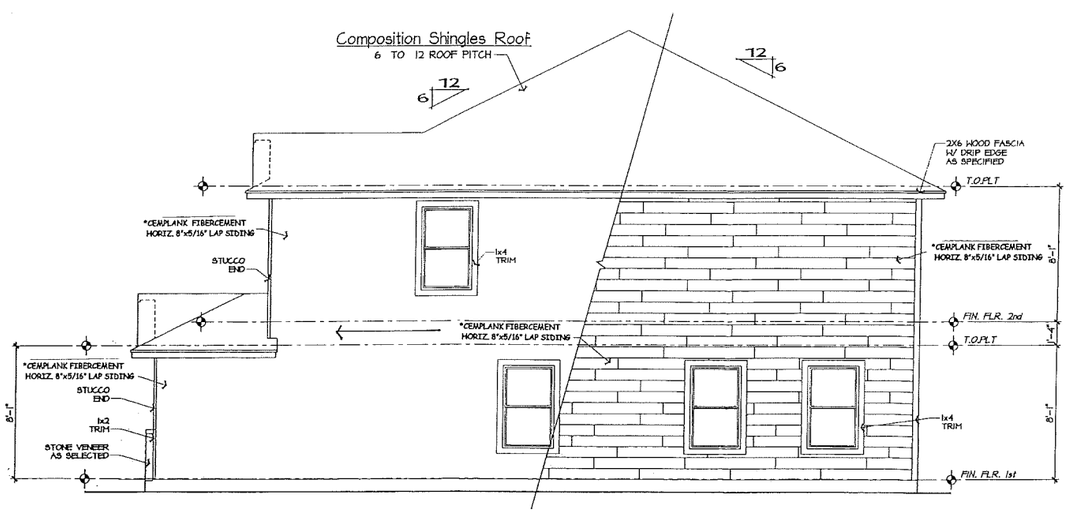
Unit-"A"

Left Side Elevation Sc: 1/4" = 1'-0"



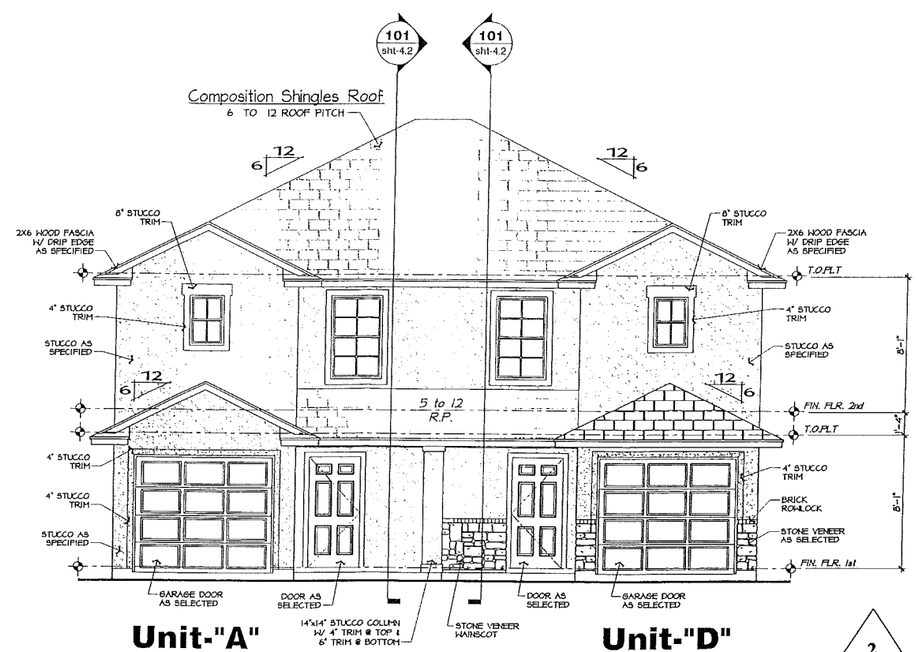
Unit-"D" Unit-"A"

Rear Elevation Sc: 1/4" = 1'-0"



Unit-"D"

Right Side Elevation Sc: 1/4" = 1'-0"



Unit-"A" Unit-"D"

Front Elevation Sc: 1/4" = 1'-0"

2

UPDATE IRC2009

2-Unit Building-"A-D"

Alejandro H. Peña Jr. DESIGNER
14814 OAK SUMMIT SAN ANTONIO, TEXAS 210 974-6446
ALEJANDRO H. PEÑA, JR. TBPELS REG. NO. TX-3362

TESORO HOMES

Project: Wurzbach Townhomes

Sheet Title: Exterior Elevations

Job No: 1010801

Date: 11.10.08
Revised: 03.30.09
From frame walk w/ Tesoro 04.23.09

A3.1-2

Sheet 4 of 5

Sherman
CLASSIC TOWN. BROAD HORIZON.

Developmental Services

PLANNING AND ZONING BOARD
BUILDING INSPECTION DEPARTMENT
Telephone: (903) 892-7229
FAX: (903) 892-7274

RECEIVED
FEB 0 9 2018

February 2, 2018

Harvey & Linda Kimsey
1705 S. Travis
Sherman, TX 75090

The Planning and Zoning Commission of the City of Sherman will hold a public hearing on the day of Tuesday, February 20, 2018 at 5:00 P.M. in the City Council Chambers, at 220 W. Mulberry, to hear the request of:

R2 Concepts, LLC (Owners), Alejandro H. Pena, Jr. (Designer) and Preston Trail Land Surveying (Surveyor) concerning the property located in the 200 Blocks of West Lake Street and West Forest Avenue and the 1700 Block of South Elm and South Crockett Streets, being all of Block 6, of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition

The request is as follows:

Planning and Zoning Commission
Zone change and site plan approval under Ordinance No. 2280, Section 12, from an M-1 (Light Manufacturing) District to an R-2 (Multi-Family Residential) District.
Board of Adjustments
Exception under Ordinance No. 2280, Section 6.3, Subsection (7) to allow a 6' wood privacy fence in lieu of the required masonry perimeter wall in an R-2 (Multi-family Residential) District.

As a property owner within two hundred feet (200') of this property, you are invited to attend. You are not required to be present, but all interested parties wishing to speak should appear at the time and place stated above. If you can not attend the public hearing, but wish to have your views presented to the Board, you may do so in the space provided below or by a separate letter and mailed to:

Scott Shadden
Secretary, Planning and Zoning Board
P.O. Box 1106
Sherman, Texas 75091-1106

Scott Shadden
Secretary, Planning & Zoning Board

I' AM AGAINST The Rezoneing
INCREASED TRAFFIC

Unless this notice is delivered in an envelope that has the "City of Sherman" logo and is affixed with postage as required by the U.S. Postal Service, it is NOT an official notice sent to you by the City of Sherman.

Sherman
CLASSIC TOWN. BROAD HORIZON.

Developmental Services

PLANNING AND ZONING BOARD
BUILDING INSPECTION DEPARTMENT
Telephone: (903) 892-7229
FAX: (903) 892-7274

RECEIVED
FEB 09 2018

February 2, 2018

Jason Kimsey
%Linda Kimsey
1705 S. Travis
Sherman, TX 75090

The Planning and Zoning Commission of the City of Sherman will hold a public hearing on the day of Tuesday, February 20, 2018 at 5:00 P.M. in the City Council Chambers, at 220 W. Mulberry, to hear the request of:

R2 Concepts, LLC (Owners), Alejandro H. Pena, Jr. (Designer) and Preston Trail Land Surveying (Surveyor) concerning the property located in the 200 Blocks of West Lake Street and West Forest Avenue and the 1700 Block of South Elm and South Crockett Streets, being all of Block 6, of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition

The request is as follows:

Planning and Zoning Commission
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Board of Adjustments
Exception under Ordinance No. 2280, Section 6.3, Subsection (7) to allow a 6' wood privacy fence in lieu of the required masonry perimeter wall in an R-2 (Multi-family Residential) District.

As a property owner within two hundred feet (200') of this property, you are invited to attend. You are not required to be present, but all interested parties wishing to speak should appear at the time and place stated above. If you can not attend the public hearing, but wish to have your views presented to the Board, you may do so in the space provided below or by a separate letter and mailed to:

Scott Shadden
Secretary, Planning and Zoning Board
P.O. Box 1106
Sherman, Texas 75091-1106

Scott Shadden
Secretary, Planning & Zoning Board

I AM AGAINST the Rezoning
see ATTached sheet

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#1. There is commercial zoneing on three sides of that Block.

#2. Residential zoneing will add traffic and kids, which we have enough trouble with now.

#3. Residential zoneing will make a problem with marketing my property, which is on the north side of the Block requesting the zone change.

STAFF REVIEW LETTER

February 13, 2018

R2 Concepts LLC
507 Preston Road
Pottsboro, TX 75076

Alejandro H. Pena, Jr.
14914 Oak Summit
San Antonio, TX 78232-3961

Preston Trail Land Surveying, LLC
83493 N. State Highway 289
Suite 5
Pottsboro, TX 75076

Dear Applicants,

The request for a zone change from an M-1 (Light Manufacturing) District to an R-2 (Multi-family Residential) District for the property located in the 200 Blocks of West Lake Street and West Forest Avenue and the 1700 Block of South Elm and South Crockett Streets has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the R-2 (Multi-family Residential) District, the fence ordinance and the Residential Tree and Landscaping Ordinance must be followed.
2. Fire lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. All wall finishes shall be masonry or masonry veneer unless an exception is approved.
4. A minimum 6 foot masonry perimeter wall shall be provided surrounding the development unless an exception is approved.
5. Parking shall be provided for one space per bedroom, minimum two per unit; a parking space is considered to be 9'x20'.
6. The garage does not meet the parking requirement (9'x20').
7. Parking is permitted on paved surfaces only (concrete or asphalt).
8. Review the zoning and development ordinance for additional requirements.
9. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

10. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
11. Full curb and sidewalk replacement required. All work within the right-of-way must be ADA compliant.
12. Parking will be permitted on private property only.

13. Privately owned and maintained detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
14. Verify sewer capacity.
15. Internal water and sewer lines will be privately owned and maintained.
16. No structures will be permitted over existing sewer lines. Utility Easements required from property owner.
17. The City of Sherman does not maintain alleys. Coordinate with Engineering Department if requesting alley to be abandoned.

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

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

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

Respectfully,

Scott Shadden

Scott Shadden
Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator
Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 13.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

200 BLOCK W. LAKE STREET AND W. FOREST AVENUE & 1700 BLOCK OF S. ELM AND S. CROCKETT STREETS

The request of R2 Concepts, LLC (Owners) and Preston Trail Land Surveying (Surveyor) concerning the property located in the 200 Block of West Lake Street and West Forest Avenue and the 1700 Block of South Elm and South Crockett Streets, being all of Block 6, of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition, as follows:

Planning and Zoning Commission

Zone change and site plan approval under Ordinance No. 2280, Section 12, from an M-1 (Light Manufacturing) District to an R-2 (Multi-Family Residential) District.

Board of Adjustments

Exception under Ordinance No. 2280, Section 6.3, Subsection (7) to allow a 6' wood privacy fence in lieu of the required masonry perimeter wall in an R-2 (Multi-family Residential) District.

Background:

The property is located in the 200 block of West Lake Street and West Forest Avenue and the 1700 block of South Elm and South Crockett Streets. The property is a vacant block bounded by West Lake Street on the north, South Crockett Street on the east, West Forest Avenue on the south and South Elm Street on the west. The block is split by an existing 16' east-west alley with eight lots facing north to West Lake Street and eight lots facing south to West Forest Avenue. The property was zoned an M-1 (Light Manufacturing) District at the August 29, 1988, City Council Meeting to bring the zoning on the properties around the Burlington Plant more in line with the adjacent zoning.

The owners would like to build two-story duplexes on the existing lots; each unit would have three bedrooms with three parking spaces (a one-car garage and two parking spaces in the driveway). The exterior finish on the buildings will be stucco. They are requesting an exception to allow a wood fence to enclose each lot.

Adjacent Zoning:

R-1 (One Family Residential) District
C-1 (Retail Business) District
C-2 (General Commercial) District
M-2 (Heavy Manufacturing) District

Origination:

R2 Concepts, LLC (Owners)
Alejandro H. Pena, Jr. (Designer)
Preston Trail Land Surveying (Surveyor)

Master Plan Designation:

Industrial – This character type typically has very large lot sizes with large buildings that are used for industrial purposes. A lot may have any number of buildings or storage facilities. Parking lots are necessary for employees and rail access may be necessary to ship/receive materials.

Number of notices mailed:

19

Objections Received:

2

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Site Plan
Color Elevations
Elevations
Floor Plan
Fence
Staff Review Letter
Letter from Harvey-Linda Kimsey
Letter from Jason Kimsey

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.7.**

Meeting Date: 03/19/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 6101, 6102, 6103, 6104 and 6105

Issue:

B. 2. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6101**
Designating a Certain Area as Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance

B. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6102**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow a Two-Family Dwelling (Duplex) in a C-1 (Retail Business) District/Central Business District at 205, 209 and 211 East Jones Street, being part of Lot 7, Block 14, Original Town Plat (OTP) (Gerarado and Jemima Anguiano and Jesus Pacheco, Owners); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed $2,000.00

B. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6103**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the SF-1 (Single Family Residential) District in the 200 block of Hilre Drive and the 4900 block of Knollwood Road, being Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One (Young Enterprises, LP, Owners; and Helvey-Wagner Surveying, Inc., Surveyor)

B. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6104**

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the C-O (Office) District at 1200 North East Street, being 0.316 acres in the J.B. McAnair Survey, Abstract No. 763 and being all of Lots 1 and 2, Block 2, Kerr's Bloomfield Addition and a 40' x 145' tract of land (KS & D R3, LLC, Owners; Terrin Bertholf, Representative; Austin Hoover, Designer; and Helvey-Wagner Surveying, Inc., Surveyor)

B. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6105**

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-2 (Multi-Family Residential) District in the 200 block of West Lake Street and West Forest Avenue and the 1700 block of South Elm Street and South Crockett Street, being all of Block 6 of the Replat of Blocks Four, Five, Six, Fifteen, Seventeen, Twenty-nine, Thirty, Thirty-one, Forty and Forty-one of Southside Addition (R2 Concepts, LLC, Owners; Alejandro H. Pena, Jr., Designer; and Preston Trail Land Surveying, Surveyor)

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B.8.**

Meeting Date: 03/19/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

C. 6. **** RESOLUTION NO. 6355***

Awarding a Bid to and Authorizing Execution of a Contract with Atlas Utility Supply for the Purchase of Water Meters for the Customer and Utility Services Department

C. 7. **** RESOLUTION NO. 6356***

Authorizing the Purchase of a New Heil DP Python Body for the Solid Waste Department from Heil of Texas through the Texas Local Government Purchasing Cooperative (BuyBoard)

C. 8. **** RESOLUTION NO. 6357***

Authorizing the Purchase of a 2019 Autocar ACX64 and Related Equipment for the Solid Waste Department from HGAC through the Texas Local Government Purchasing Cooperative (BuyBoard)

E. 5. **** OTHER BUSINESS***

Consider Request of the 2018 Earth Day Planning Committee to Temporarily Close Certain Streets for the "10th Annual Earth Day Festival" on Saturday, April 21, 2018

E. 9. **** OTHER BUSINESS***

Replat Approval of Carriage House Estates, Lot 3R, being a Replat of part of Lots 2 and 3 in the Carriage House Estates Addition, being 1 acre in the William Thompson Survey, Abstract No. 1209, also being a portion of Lots 2 and 3 of Carriage House Estates; Norberto and Lisa Galarza, Owners; and Preston Trail Land Surveying, Surveyor (2214 Carriage Estates Road)

E. 10. **** OTHER BUSINESS***

Final Plat Approval of Quail Run, Phase Two, being 20.429 acres in the Elizabeth Jones Survey, Abstract No. 625; 1417 Land Holdings, LLC, Owners; 300 Sherman, LP, Developer; Greg Edwards Engineering Services, Inc., Civil Engineer; and Preston Trail Land Surveying, LLC, Surveyor (4700-5200 blocks of Quail Run Road and Cormorant Drive)

E. 11. **** OTHER BUSINESS***

Final Plat Approval of Calverley Addition, being 1.475 acres in the Elizabeth Jones Survey, Abstract No. 625; Tracy and Debra Calverley, Owners; and Underwood Drafting and Surveying, Surveyor (3412 West Houston Street)

E. 12. **** OTHER BUSINESS***

Replat Approval of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, being a part of the James H. Clark Survey, Abstract No. 273 and being a Replat of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One; Young Enterprises, LP, Owner; and Helvey-Wagner Surveying, Inc., Surveyor (200 block of Hilre Drive and 4900 block of Knollwood Road)

E. 13. **** OTHER BUSINESS***

Replat Approval of Pond Meadows, being a Replat of Lots 40, 41, 42 and part of Lot 43 of Highland Meadows Estates Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being a part of the Winfred Bailey Survey, Abstract No. 64 and being all of Lots 40, 41 and 42 and part of Lot 43 of Highland Meadows Estates Addition, containing 8.260 acres; Bonnie Giglio, Owner; and Underwood Drafting and Surveying, Surveyor (1000 block of Ridgeview Drive)

E. 14. **** OTHER BUSINESS***

Final Plat Approval of Wise Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being 1.108 acres in the William H. Pulliam Addition, Abstract No. 958; Danny Joe Tollison, Owner; Kenneth and Mary Wise, Applicant/Developer; and Underwood Drafting and Surveying, Surveyor (4400 block of Leslie Lane)

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.1.**

Meeting Date: 03/19/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6350

Authorizing Execution of an Amendment to the Agreement with Texas Instruments Incorporated for an Extension of the Abatement of Ad Valorem Property Taxes for Improvements within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas

Issue:

Approval of a proposed amendment to the property tax abatement agreement approved April 15, 2013 between the City of Sherman and Texas Instruments Incorporated ("TI")

Background:

On April 15, 2013, the City Council approved a five-year Agreement with TI for the Abatement of Ad Valorem Property Taxes on warehousing equipment located in the Sherman plant that will be relocated to other facilities, repositioned within the Sherman plant, or otherwise liquidated. The Tax Reinvestment Committees of the City of Sherman, the Sherman Independent School District, Grayson County, and Grayson College met on February 27, 2018, to consider TI's request for a five-year extension to the Agreement. The value of the equipment has ranged from about $4.5 million to $13.3 million over the last four (4) years.

The original agreement consists of a 55% per year abatement and minimum taxable value of at least $10 million. The proposed amendment to the agreement calls for an additional five (5) year abatement under the same terms as the original agreement. By law, an abatement period may not exceed ten (10) years, including extensions.

Origination:

Texas Instruments Incorporated, Applicant
Tax Reinvestment Committee

Financial Consideration:

At a taxable value of $10 million each year, this project would generate $214,000.00 in property tax revenues for the City over the five (5) year extension at the current tax rate before any abatement is applied; and the abatement will provide an estimated benefit to the taxpayer of $117,000.00 over the same time frame.

Staff Recommendation:

It is recommended that the City Council approve the proposed tax abatement agreement.

Alternatives:

The City Council could deny the tax abatement agreement.

Attachments

Resolution No. 6350

Amendment to TI Tax Abatement Agreement

Resolution No. 5760 and TI Tax Abatement Agreement approved April 15, 2013

RESOLUTION NO. 6350

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AMENDMENT TO THE AGREEMENT WITH TEXAS INSTRUMENTS INCORPORATED FOR AN EXTENSION OF THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR IMPROVEMENTS WITHIN INDUSTRIAL REINVESTMENT ZONE, NUMBER 042013-1, CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the Mayor be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Texas Instruments Incorporated, and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an amendment to the agreement dated April 13, 2013 with Texas Instruments Incorporated, for the abatement of ad valorem taxes for an additional period of five (5) years, commencing January 1, 2019, for improvements within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas, consisting of $10 million of manufacturing equipment.

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

PASSED AND APPROVED on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

AMENDMENT 1 TO TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND TEXAS INSTRUMENTS INCORPORATED

This is an amendment to the April 13, 2013 tax abatement agreement between the City of Sherman, Texas and Texas Instruments Incorporated. The following additions to the agreement are hereby approved by both parties to the agreement:

Term and Abatement Period shall be ten (10) years beginning January 1, 2014

IN WITNESS WHEREOF, the parties hereto have made and executed this Amendment as of March ____, 2018.

CITY OF SHERMAN: TEXAS INSTRUMENTS INCORPORATED

_____ _____

RESOLUTION NO. 5760

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH TEXAS INSTRUMENTS INCORPORATED FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES WITHIN INDUSTRIAL REINVESTMENT ZONE NO. 042013-1; 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 Mayor be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Texas Instruments Incorporated 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 Texas Instruments Incorporated for the abatement of ad valorem property taxes for a period of five (5) years, for improvements within Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas, including the warehousing of equipment relocated to its Sherman plant from other locations within the company, said equipment to be stored locally until its relocation to other facilities, repositioning within the Sherman plant, or otherwise liquidated, in the same or substantially same form as the contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the 15th day of April, 2013.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: Linda Ashby
LINDA ASHBY, CITY CLERK

BY: Carolyn S. Wacker
CAROLYN S. WACKER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: B S S
BRANDON S. SHELBY, CITY ATTORNEY

TAX ABATEMENT AGREEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into as of the 15th day of April, 2013 (the "Effective Date"), by and among the City of Sherman, Texas, a home rule city and municipal corporation of Grayson County, Texas, duly acting herein by and through its Mayor ("City"); and Texas Instruments Incorporated, a Delaware Corporation, acting by and through its authorized officers ("TI"), for the purposes and considerations stated below:

W I T N E S S E T H:

WHEREAS, on the 1st day of April, 2013, the City Council of the City ("City Council") passed Ordinance No. 5770 ("Ordinance") establishing Industrial Reinvestment Zone, Number 042013-1, City of Sherman, Texas ("Zone"), for commercial-industrial tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended ("Code"); and

WHEREAS, the City has adopted Guidelines and Criteria for the Industrial Tax Abatement Program ("Guidelines"), by the passage of Resolution No. 5676, on the 4th day of June, 2012; and

WHEREAS, the City's current Guidelines are attached as Exhibit A hereto; and

WHEREAS, the Guidelines constitute appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as contemplated by Chapter 312 of the Code; and

WHEREAS, the City has adopted a resolution stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, TI currently owns the Premises, as hereinafter defined, and TI expects to store manufacturing machinery and equipment (the "Improvements") on the Premises. The Improvements and use of the Premises is expected to significantly enhance the economic base of the City; and

WHEREAS, the City Council also finds that the improvements sought are feasible and practical and would be of benefit to the land to be included in the Zone and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the Premises and proposed Qualified Facilities, as hereinafter defined, meet the applicable guidelines and criteria heretofore adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Premises is located;

NOW, THEREFORE, the City, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of major investment in the Zone that contributes to the economic development of the City and enhancement of the tax base in the City and Grayson County, Texas; and

TI, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Sections 312.201 through 312.211 of the Code, does hereby contract, covenant and agree as follows:

I.
DEFINITIONS

Wherever used in this Agreement, the following capitalized terms shall have the meanings ascribed to them:

A. "TI AFFILIATE" shall mean any Person, directly or indirectly controlling, controlled by, or under common control with TI. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

B. "EFFECTIVE DATE" shall have the meaning given it in the introductory paragraph of this Agreement.

C. "ELIGIBLE PROPERTY VALUE" shall mean (i) with respect to each Qualified Facility for a particular tax year, the value of such Qualified Facility on the tax rolls of the Grayson Appraisal District as of such tax year; and (ii) with respect to business personal property located on the Premises for a particular tax year, the value of such business personal property on the tax rolls of the Grayson Appraisal District as of such tax year.

D. "FORCE MAJEURE" shall mean, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the City's legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of TI (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

E. "PERSON" shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

F. "PREMISES" shall mean all that parcel of land owned by TI as hereinafter described in Exhibit B attached hereto.

G. "QUALIFIED FACILITIES" shall mean any building, improvement, structure, fixture, parking or paving constructed on the Premises.

H. "REAL PROPERTY" and "PERSONAL PROPERTY" shall, for the purposes of this agreement, be defined by the Texas Tax Code.

I. "WAREHOUSED PROPERTY" is defined as any TI owned equipment from another TI facility or supplier, to be moved in and out throughout the duration of this agreement, equipment of which is not used in the day-to-day operations of TI.

II.
GENERAL PROVISIONS

A. All procedures followed by the City shall conform to the requirements of the Code, and shall be undertaken in coordination with TI's corporate, public, employee, and business relations requirements.

B. The Premises will be owned by TI or a TI Affiliate, which Premises are located solely within the city limits of the City and solely within the Zone.

C. The Premises are not in an improvement project financed by tax increment bonds.

D. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City; provided, however, that this section shall not be construed to create a security interest in the Premises or Qualified Facilities in favor of such holders of outstanding bonds of the City.

E. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of the City or any member of the governing body of any taxing unit joining in or adopting this Agreement.

F. This Agreement is intended to comply with the requirements of Section 312.204 of the Code and is authorized by the Texas Property Redevelopment and Tax Abatement Act of the Texas Tax Code, Chapter 312, by the Guidelines and by resolution of the City Council authorizing execution of this Agreement.

G. During the period of the tax abatement herein authorized, TI shall be subject to all applicable City taxation not specifically abated or exempted, including but not limited to, sales tax and ad valorem taxation on land, inventory and supplies.

III.
CONDITION PRECEDENT TO TAX ABATEMENT

As a condition precedent to a tax abatement under this Agreement, TI or a TI Affiliate must substantially locate all Improvements to the Premises by January 1, 2014.

IV.
TERM AND ABATEMENT PERIOD

A five (5) year tax abatement period permitted by law is hereby granted with respect to all Warehoused Property located therein or otherwise on the Premises, as indicated in Section VI below. The tax abatement period shall commence to run beginning January 1, 2014.

V.
INITIAL AND MINIMUM TAX LIABILITY

A. For the purposes of this Agreement, the Warehoused Property shall reflect a minimum original acquisition cost of $10 million.

B. During the period of tax abatement herein authorized, TI shall be liable to the City for a minimum taxable value assigned under Sec. V.A. for all property covered under this Agreement.

VI.
RATE, SCOPE, CONDITIONS AND COVENANTS

The rate and scope and additional conditions of tax abatement shall be as follows:

A. Annual Rates of Abatement – The following shall be the annual rates of tax abatement for the business personal property located therein or otherwise on the Premises and subject to this Agreement:

PERSONAL PROPERTY	
Year	Percentage of City Property Taxes Abated
1	55%
2	55%
3	55%
4	55%
5	55%

B. Operation Covenant. TI shall operate the Facility in accordance with prudent industry standards and applicable law.

C. Property Tax Covenant. Throughout the term of this Agreement, TI shall timely pay all property taxes for the Premises and real and personal property located therein due and owing by it to all relevant taxing jurisdictions.

D. Management Change Notice Covenant. During the term of this Agreement, TI shall notify the City in writing of any change of the manager of TI within seven (7) days of such change.

VII.
REPORTING AND MONITORING

TI agrees to the following reporting and monitoring provisions, and failure to fully and timely comply with any one requirement shall constitute an event of default:

A. Not later than January 31 of each applicable year, TI shall submit to the City a certification from TI as to the conditions set forth in Section VI.B., C., and D.

B. TI shall provide to the City a semi-annual report certifying the status of compliance through the life of the Agreement of new investments and any other relevant information.

C. TI, during normal business hours, at its headquarters or at the Sherman plant location, shall allow to the City, its agents and employees, reasonable access to its books and records that are related to the described economic development consideration and incentives, to verify records related to economic development considerations and incentives, but the confidentiality of such records will be maintained.

D. TI further covenants and agrees that the City, its agents and employees, shall have a continuing and reasonable right of access to the real property, together with all Premises, Qualified Facilities and Warehoused Property, at reasonable times and with reasonable notice to TI, and in accordance with TI's visitor access and security policies, in order to inspect the Premises, Qualified Facilities and Warehoused Property to insure that the installation of the Warehoused Property is in accordance with this Agreement and that all applicable state and local laws, ordinances and regulations are being followed. City, its agents and employees, shall defend, indemnify, and hold harmless TI from any damages or liability to persons or property arising from City, its agents and employees, entry upon TI's Property, unless such injury is caused by the sole negligence of TI, to the extent permitted by law.

E. The Premises at all times shall be used in a manner that is consistent with the general purpose of encouraging development within the Zone.

VIII.
BREACH/FAILURE TO MEET CERTAIN CONDITIONS

In the event that TI breaches any of the terms or conditions of this Agreement, then TI shall be in default of this Agreement. In the event TI defaults in its performance, the City shall give TI written notice of such default/failure of condition and, if TI has not cured such default/failure of condition within sixty (60) days of said written notice, then this Agreement may be terminated by the City; provided, however, that if such default is not reasonably susceptible of cure within such sixty (60) day period and TI has commenced and is pursuing the cure of same, then, after first advising the City Council of TI's efforts to cure same, TI may utilize an additional ninety (90) days for such purposes. Additional time, i.e., time in addition to the foregoing one hundred

fifty (150) days, may be authorized by the City Council. City's sole and exclusive remedy against any Person for any breach or failure of condition under this Agreement, in the event of default after the expiration of the applicable notice and cure periods, shall be that this Agreement shall terminate and all future tax abatements under this Agreement shall be void (it being understood that the City shall not be entitled to any repayment of tax abatements under this Agreement, except as provided in Section IX below, and it being further understood that the failure to meet a covenant set forth in Section VI.B., C. or D. for any year is not a breach and results only in the loss to the right to abatement for such year). Notwithstanding any provision in this Agreement to the contrary, neither TI nor any other Person shall be required to pay any amounts to the City under this Agreement, with the only remedy being the loss of future tax abatements.

IX.
CONTINUITY OF OPERATIONS

Notwithstanding Section VI.A. above, if for any reason operations are suspended or cease at any point during the term of this Agreement, then no tax abatements under this Agreement shall be provided. Further, in the event of any cessation of operations, or abandonment of Premises by TI, all previously abated taxes are immediately due to the City.

X.
EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

This Agreement shall be binding on and inure to the benefit of the Parties and all TI Affiliates, their respective successors and assigns. Neither Party may assign its rights and duties hereunder, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that TI may assign this Agreement and all of its rights hereunder to any Affiliate. In addition, this Agreement and all rights hereunder may be assigned for the benefit of any Financing Party including, but not limited to, an assignment to such Parties upon a foreclosure. Any assignment in violation of this Section X shall not affect any rebates with respect to which TI or any TI Affiliate is already entitled.

XI.
NOTICE

All notices called for or required by this Agreement shall be addressed to the following, or such other Party or address as either Party designates in writing, by certified mail, postage prepaid or by hand delivery:

TI:

U.S. Property and Sales Tax Manager
Texas Instruments Incorporated
Kilby West – M/S 3998
13570 N. Central Expressway
Dallas, Texas 75243

City:

City Manager
City of Sherman
220 West Mulberry Street
P. O. Box 1106
Sherman, Texas 75091-1106

XII.
CITY COUNCIL AUTHORIZATION

This Agreement was authorized by resolution of the City Council that was approved by the affirmative vote of a majority of the City Council at its regularly scheduled City Council meeting on the 15th day of April, 2013, authorizing the Mayor to execute this Agreement on behalf of the City.

XIII.
TI AUTHORIZATION

An authorized representative of TI entered into this Agreement.

XIV.
SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

XV.
ESTOPPEL CERTIFICATE

Any Party hereto may request an estoppel certificate from another Party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which will upon request be addressed to a subsequent purchaser or assignee of TI, shall include, but not necessarily be limited to, statements (to the actual knowledge of the Party providing such) that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the Party(ies) to receive the certificate. The City Manager for the City shall provide any such certificate on behalf of the City.

XVI.
APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be in a court located in Grayson County, Texas.

XVII.
INDEMNIFICATION

A. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, TI SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCILMEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "CITY'S INDEMNIFIED PARTY") FOR,

FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) TI'S PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS AGREEMENT.

B. Notice of Indemnified Loss. The City's Indemnified Party shall promptly notify TI of any indemnified Losses or Claim for indemnified Losses in respect of which the City's Indemnified Party may be entitled to indemnification under this Section XVII. Such notice shall be given as soon as reasonably practicable after the City's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third Party Claims. In the event any action or proceeding shall be brought against the City's Indemnified Party by reason of any matter for which the City's Indemnified Party is indemnified hereunder, TI shall, upon notice from the City's Indemnified Party or its authorized agents or representatives, at TI's sole cost and expense, resist and defend the same with legal counsel selected by TI; provided, however, that TI shall not admit liability in any such matter on behalf of the City's Indemnified Party. TI's obligation to defend shall apply regardless of whether the City's Indemnified Party is solely or concurrently negligent. Nothing herein shall be deemed to prevent the City's Indemnified Party at its election and at its own expense from cooperating with TI and participating in the defense of any litigation by their own counsel. If TI fails to retain defense counsel within seven (7) business days after receipt of City's Indemnified Party written notice that the City's Indemnified Party is invoking its right to indemnification under this Agreement, the City's Indemnified Party shall have the right to retain defense counsel on their own behalf, and TI shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.

D. Limitation on Indemnity. The amount owing to an Indemnified Party will be the amount of the Indemnified Party's Losses net of any insurance proceeds received by the indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

XVIII.
ENTIRE AGREEMENT

This Agreement constitutes the entire Tax Abatement Agreement between the Parties, supersedes any prior understanding or written or oral tax abatement agreements or representations between the Parties, and can be modified only by written instrument subscribed to by all Parties. Notwithstanding the foregoing provision, this Agreement does not modify, alter, or amend any other agreement or instrument among the City and TI relating to matters other than the abatement of real property taxes with respect to the Premises and the Qualified Facilities and business personal property located on the Premises. This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original.

EXECUTED the 15th day of April, 2013.

CITY OF SHERMAN, TEXAS

By: _____
Carolyn S. Wacker
Mayor

ATTEST:

By: _____
Linda Ashby
City Clerk

CITY OF SHERMAN, TEXAS
APPROVED AS TO FORM:

By: _____
Brandon S. Shelby
City Attorney

TEXAS INSTRUMENTS INCORPORATED,
a Delaware Corporation

By: _____
Paul Fego
Vice President of Worldwide Manufacturing

MAYOR'S ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Carolyn S. Wacker, Mayor of the City of Sherman, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, Texas, a municipal corporation, that she was duly authorized to perform the same by appropriate resolution of the City Council for the City of Sherman and that she executed the same as the act of the said City for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of April, A.D., 2013.

LINDA ASHBY
Notary Public
STATE OF TEXAS
My Comm. Exp. 06-06-2014

Linda Ashby
Notary Public in and for the State of Texas

Linda Ashby
(Typed/Printed Name of Notary)

My Commission Expires:

6/6/2014

TI ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Paul Fego, Vice President of Worldwide Manufacturing for Texas Instruments Incorporated, a Delaware Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me he executed the same as a duly authorized officer of such corporation, and as the act and deed of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29 day of April, A.D., 2013.

Becky Layton
Notary Public
STATE OF TEXAS
My Comm. Exp. 10/18/2015

Becky Layton
Notary Public in and for the State of Texas

Becky Layton
(Typed/Printed Name of Notary)

My Commission Expires:

10-18-2015

EXHIBIT A
TO TAX ABATEMENT AGREEMENT

Comprehensive Guidelines

[Attached]

RESOLUTION NO. 5676

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

WHEREAS, by Resolution No. 5494, passed and approved on June 7, 2010, the City of Sherman declared its eligibility and intention to participate in the Tax Abatement Program to promote development/redevelopment in certain areas of the City and adopted Tax Abatement Guidelines and Criteria for use in all Tax Abatement Programs; and

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

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

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

CITY OF SHERMAN'S
RENEWED TAX ABATEMENT GUIDELINES AND CRITERIA

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

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

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

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

- Employment Impact

  How many jobs will be created by this project?

  How many current jobs will be retained by this project?

  What types of jobs will be created or retained?

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

- Fiscal Impact

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

  What is the economic life to the additional property?

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

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

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

- Community Impact

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

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

  What is the environmental impact of the project?

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

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

PASSED AND APPROVED on this the 4th day of June, 2012.

CITY OF SHERMAN, TEXAS

BY: _____
BILL MAGERS, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

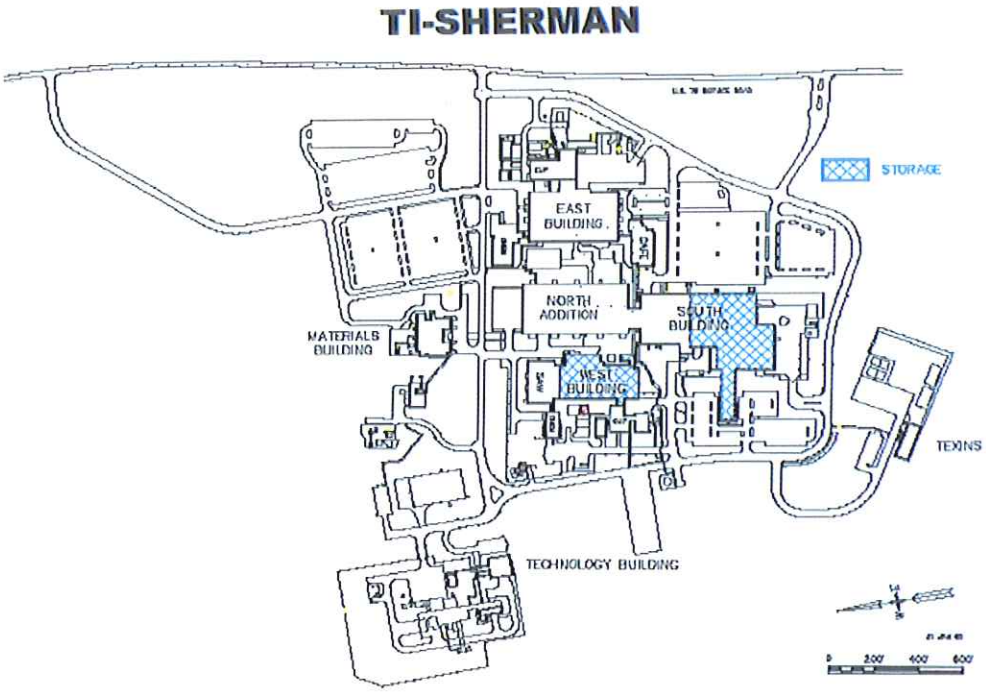
CERTIFIED COPY- DOCUMENT
THIS IS CERTIFIED TO BE A TRUE COPY OF THE PERMANENT RECORD AS FILED IN THE OFFICE OF THE CITY CLERK.

Linda Ashby
CITY CLERK, SHERMAN, TEXAS

ISSUED: 2/6/13

EXHIBIT B
TO TAX ABATEMENT AGREEMENT

<u>The Premises</u>



Field Notes

Legal Description

SITUATED in Grayson County, Texas in the City of Sherman, the William Martin Survey, Abstract No. 765, the John Chronister Survey, Abstract No. 248 and the S. Dunman Survey, Abstract No. 329 and being part of two (2) tracts more particularly referenced as follows:

1. Part of a called 5.450 acre tract of land conveyed to Texas Instruments Inc. from D.C. Enloe et al. by deed filed September 28, 1965 and recorded in volume 1038, page 49 of the Deed Records of Grayson County.

2. Part of a called 470.340 acre tract of land conveyed to Texas Instruments Inc. from Joe Hilburn and wife Johnnie V. Hilburn by deed filed September 1, 1965 and recorded in volume 1036, page 247 of the Deed Records of Grayson County, Texas.

Said part of two tracts being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod in the curve of the West right-of-way of U.S. Highway 75 and in the East line of said 5.450 acre tract, said iron rod bears N 3° 10' 31" E 11.09 feet from the Southeast corner of the 5.450 acre tract, said iron rod also bears S 86° 52' 56" E 5530.00 feet from the center of said curve;

THENCE: With the curve of the West right-of-way of U.S. 75 and the East line of the 5.450 acres and 470.340 acres tracts through an arc length of 785.29 feet to a 1/2 inch iron rod at the point of tangency, said curve having a central angle of 8° 08' 11", a radius of 5530.00 feet and a chord bearing and distance of S 7° 11' 10" W 784.63 feet;

THENCE: S 11° 15' 15" W 2772.22 feet with the West right-of-way of U.S. 75 and the East line of the 470.340 acre tract to a 1/2 inch

iron rod for corner from which a right-of-way marker bears N 11° 15' 15" E 151.00 feet and from which the most Easterly Southeast corner of the 470.340 acre tract bears S 11° 15' 15" W 661.92 feet;

THENCE: Across said 470.340 acre tract as follows:

S 76° 15' 10" W 1378.36 feet to a 1/2 iron rod;
N 59° 39' 46" W 817.23 feet to a 1/2 iron rod;
N 0° 21' 35" W 1139.66 feet to a 1/2 iron rod;
N 27° 07' 26" E 739.59 feet to a 1/2 iron rod;
S 89° 14' 11" E 277.52 feet to a 1/2 iron rod;
N 0° 38' 45" E 311.12 feet to a 1/2 iron rod;
S 83° 58' 11" E 194.32 feet to a 1/2 iron rod;
N 9° 41' 33" E 206.44 feet to a 1/2 iron rod;
S 89° 54' 09" E 982.17 feet to a 1/2 iron rod;
N 0° 44' 03" E 462.12 feet to a 1/2 iron rod;

THENCE: N 42° 21' 28" E 918.42 feet across the 470.340 acre and 5.450 acre tracts to a 1/2 inch iron rod for corner;

THENCE: S 86° 19' 00" E 237.95 feet across said 5.450 acre tract to the POINT OF BEGINNING and containing 136.869 acres of land more or less.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.2.**

Meeting Date: 03/19/2018

Prepared By: Zachary Flores, Police Chief

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6351

Approving and Supporting the Issuance of a Law Enforcement Academy License from the Texas Commission on Law Enforcement (TCOLE) for the Creation of a Law Enforcement Academy at the Sherman Police Department; Providing for the Appointment of an Advisory Board; and Authorizing the Submission of an Application by the Chief of the Sherman Police Department or His Designee

Issue:

The creation of a Law Enforcement Academy at the Sherman Police Department

Background:

The Sherman Police Department has sent approximately 30 recruits to local law enforcement academies over the past three years. In an effort to more efficiently control our training and the environment in which it is conducted, the Department is seeking approval and support to start a Law Enforcement Academy.

The Department has access to instructors and facilities needed to operate a Law Enforcement Academy and has received support from other local Law Enforcement Agencies.

Origination:

Police Chief Zach Flores

Financial Consideration:

None

Staff Recommendation:

It is recommended that the City Council approve this resolution showing support for the creation of a Law Enforcement Academy at the Sherman Police Department.

Alternatives:

The Council could choose to not approve the creation of this Law Enforcement Academy.

Attachments

Resolution No. 6351

RESOLUTION NO. 6351

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND SUPPORTING THE ISSUANCE OF A LAW ENFORCEMENT ACADEMY LICENSE FROM THE TEXAS COMMISSION ON LAW ENFORCEMENT (TCOLE) FOR THE CREATION OF A LAW ENFORCEMENT ACADEMY AT THE SHERMAN POLICE DEPARTMENT; PROVIDING FOR THE APPOINTMENT OF AN ADVISORY BOARD; AND AUTHORIZING THE SUBMISSION OF AN APPLICATION BY THE CHIEF OF THE SHERMAN POLICE DEPARTMENT OR HIS DESIGNEE; 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 Council of the City of Sherman, Texas, hereby approves and supports the issuance of a Law Enforcement Academy License for the Sherman Police Department from the Texas Commission on Law Enforcement (TCOLE).

SECTION 2. That the Chief of the Sherman Police Department is hereby authorized and directed to appoint an advisory board for a Law Enforcement Academy at the Sherman Police Department to act in accordance with the provisions of the Texas Administration Code.

SECTION 3. That the Chief of the Police Department or his designee is hereby authorized and directed to comply with all statutory provisions and submit an application for a Law Enforcement Academy License from the Texas Commission on Law Enforcement (TCOLE).

SECTION 4. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.3.**

Meeting Date: 03/19/2018

Prepared By: Clint Philpott, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6352

Awarding a Bid to and Authorizing Execution of a Contract with Highway 19 Construction, LLC based on an Invitation to Bid for Construction of the Sherman Streetscapes Phase II 2018 Project

Issue:

To consider awarding a bid to and authorizing execution of the contract with Highway 19 Construction, LLC of Sulphur Springs, Texas, based on an invitation to bid, for construction of the Sherman Streetscapes Phase II 2018 Project

Background:

At a regularly scheduled meeting on July 18, 2016, the City Council authorized the execution of an Advanced Funding Agreement between the City of Sherman and the State of Texas, acting by and through the Texas Department of Transportation (TxDOT), for a Transportation Alternatives Program Project (Sherman Streetscapes Phase II). This project was selected by TxDOT for the Transportation Alternatives Program, which provides partial funding for the project. The total project construction is estimated at $515,928.00; and our share is estimated to be $40,783.00. The bid for construction was advertised, pursuant to the City Council's approval at the February 5, 2018 meeting; and three (3) bids were received and opened on March 12, 2018. Highway 19 Construction, LLC submitted a bid in the amount of $361,076.00 and was the lowest of the three (3) submitted bids. A bid tabulation is attached.

Origination:

Engineering Department

Financial Consideration:

Funding for the construction is available in the Capital Improvement Program.

Staff Recommendation:

It is recommended that the bid be awarded for construction of the Sherman Streetscapes Phase II 2018 Project to Highway 19 Construction, LLC of Sulphur Springs, Texas, in the amount of $361,076.00. It is also recommended that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6352
Contract Agreement
Bid Tabulation
Location Map

RESOLUTION NO. 6352

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH HIGHWAY 19 CONSTRUCTION, LLC BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE SHERMAN STREETSCAPES PHASE II 2018 PROJECT; 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 Highway 19 Construction, LLC of Sulphur Springs, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract with Highway 19 Construction, LLC in the amount of Three Hundred Sixty-One Thousand Seventy-Six Dollars and No Cents ($361,076.00) for the demolition of existing sidewalks, landscaping, drainage improvements, traffic control and all necessary work for the Sherman Streetscapes Phase II 2018 Project; 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 Highway 19 Construction, LLC for construction of the aforementioned improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

CONTRACT AGREEMENT

STATE OF TEXAS

COUNTY OF

GRAYSON

THIS AGREEMENT is made and entered into this _____ day of _____, 2018 by and between the City of Sherman, of the County of Grayson and State of Texas, acting through its City Manager, thereunto duly authorized so to do, Party of the First Part, hereinafter termed the OWNER, and Highway 19 Construction, LLC of Sulphur Springs, County of Hopkins, State of Texas, Party of the Second Part, hereinafter termed CONTRACTOR.

WITNESSETH: That for and in consideration of the payment and agreement hereinafter mentioned, to be made and performed by the OWNER, the said CONTRACTOR hereby agrees with the said OWNER to commence and complete construction of certain improvements as follows:

Sherman Streetscapes Phase II 2018

and all extra work in connection therewith, under the terms as stated in the General and Specific Conditions of the AGREEMENT; and at his own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance and other accessories and services necessary to complete the said construction, in accordance with the conditions and prices stated in the Proposal attached hereto and in accordance with the Advertisement for Bids, Instructions to Bidders, General Provisions, Special Provisions, Plans, and other drawings and printed or written explanatory matter thereof, and the Technical Specifications and Addenda thereto, as prepared by the OWNER, each of which has been identified by the endorsement of the CONTRACTOR and the OWNER thereon, together with the CONTRACTOR's written Proposal and the General Provisions, all of which are made a part hereof and collectively evidence and constitute the entire AGREEMENT.

Notice to Proceed

The CONTRACTOR hereby agrees to commence work within seven (7) calendar days after the date of written notice to do so shall have been given to him, to complete the work within one hundred twenty **(120)** calendar days in a work week (see TxDOT Section 8L), after he commences work, subject to such extensions of time as are provided by the General Provisions.

The OWNER agrees to pay the CONTRACTOR Three Hundred Sixty One Thousand, Seventy Six Dollars and Zero Cents **($361,076.00)** in current funds for the performance of the Contract in accordance with the Proposal submitted thereof, subject to additions and deductions, as provided in the General Provisions, and to make payments of account thereof as provided therein.

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

CITY OF SHERMAN, TEXAS (OWNER) **ATTEST:**

By:_____By: _____
Robby Hefton, City Manager Linda Ashby, City Clerk

By:_____By: _____
(CONTRACTOR) ATTEST:

The following to be executed if the CONTRACTOR is a corporation:

I,_____certify that I am the secretary of the corporation named as CONTRACTOR herein; that_____, who signed this Contract on behalf of the CONTRACTOR is the_____(official title) of said corporation; that said Contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Signed:

Corporate Seal

Bid Tabulation

Project: Sherman Streetscapes Phase II 2018

Owner: City of Sherman

Number: 2018-07

Public Works Project # 2980

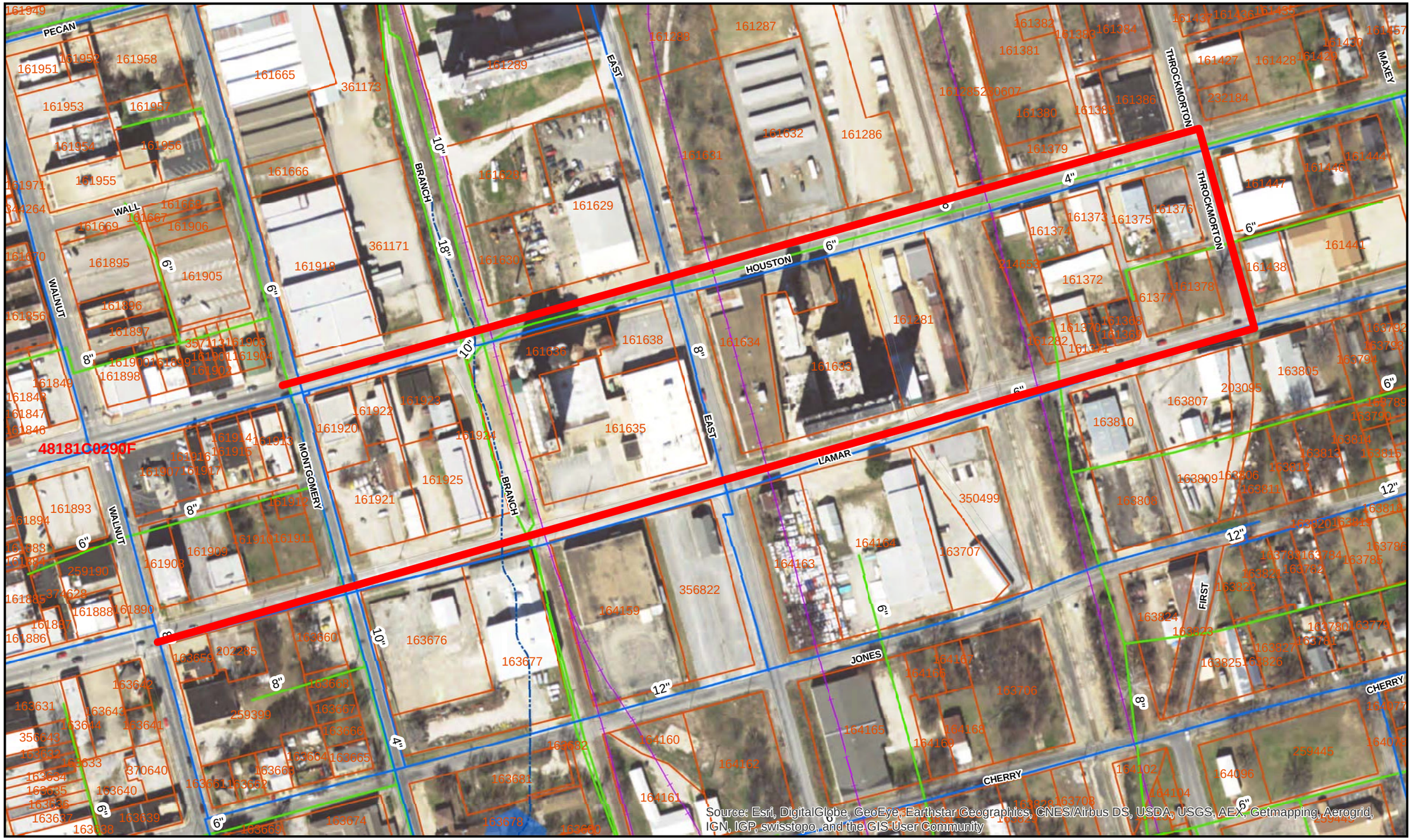
Date: 3/12/2018

Item	Description	Estimated Quantity		Highway 19 Construction, LLC Unit Price	Highway 19 Construction, LLC Total Price	Mitchell Enterprises Unit Price	Mitchell Enterprises Total Price	GHB Equipment Company, LLC Unit Price	GHB Equipment Company, LLC Total Price
Base Bid									
0500-6001	MOBILIZATION	1	LS	50,000.00	50,000.00	27,566.00	27,566.00	50,000.00	50,000.00
0502-6001	BARRICADES, SIGNS AND TRAFFIC HANDLING	17	MO	1,000.00	17,000.00	1,413.50	24,029.50	600.00	10,200.00
104-6013	REMOVE CONC (FOUNDATIONS)	1	SY	500.00	500.00	7,837.50	7,837.50	5,000.00	5,000.00
104-6017	REMOVING CONC (DRIVEWAYS)	581	SY	10.00	5,810.00	32.36	18,801.16	50.00	29,050.00
104-6022	REMOVING CONC (CURB AND GUTTER)	130	LF	5.00	650.00	10.78	1,401.40	40.00	5,200.00
104-6024	REMOVING CONC (RETAINING WALLS)	7	SY	25.00	175.00	269.19	1,884.33	500.00	3,500.00
104-6036	REMOVING CONC (SIDEWALK OR RAMP)	377	SY	10.00	3,770.00	44.93	16,938.61	40.00	15,080.00
104-6040	REMOVE CONC (PAVERS)	100	SY	15.00	1,500.00	22.65	2,265.00	30.00	3,000.00
104-6044	REMOVING CONC (FLUME)	7	SY	25.00	175.00	131.06	917.42	400.00	2,800.00
105-6011	REMOVING STAB BASE & ASPH PAV (2"-6")	67	SY	10.00	670.00	55.33	3,707.11	20.00	1,340.00
496-6002	REMOV STR (INLET)	1	EA	1,000.00	1,000.00	1,004.58	1,004.58	3,000.00	3,000.00
496-6002	REMOVE STR (INLET)(METAL GRATE)	1	EA	500.00	500.00	1,053.77	1,053.77	4,000.00	4,000.00
496-6014	REMOV STR (RAILROAD CROSSING)	2	EA	5,000.00	10,000.00	13,755.50	27,511.00	7,000.00	14,000.00
496-6097	REMOV STR (RR TRACK)	48	LF	50.00	2,400.00	40.08	1,923.84	70.00	3,360.00
628-6002	REMOVE ELECTRICAL SERVICES (WALL LIGHTS)	2	EA	3,000.00	6,000.00	489.50	979.00	1,500.00	3,000.00
644-6068	RELOCATE SM RD SN SUP & AM TY 10BWG	2	EA	300.00	600.00	538.50	1,077.00	3,000.00	6,000.00
677-6007	ELIM EXT PAV MRK & MRKS (24")	16	LF	5.00	80.00	15.19	243.04	40.00	640.00
GRA-00001	CLEARING LANDSCAPE PLANTING	73	SF	15.00	1,095.00	3.14	229.22	20.00	1,460.00
351-6013	FLEXIBLE PAVEMENT STRUCTURE REPAIR (4")	34	SY	75.00	2,550.00	125.44	4,264.96	200.00	6,800.00
351-6025	FLEXIBLE PAVEMENT STRUCTURE REPAIR (8"-15")	105	SY	100.00	10,500.00	187.84	19,723.20	250.00	26,250.00
360-6047	CONC PVMT (CONT REINF - CRCP) (6")	500	SY	75.00	37,500.00	128.09	64,045.00	140.00	70,000.00
464-6003	PIPE (CLIII) (18 IN)	10	LF	100.00	1,000.00	268.84	2,688.40	200.00	2,000.00
465-6029	INLET (COMPL) (PCU) (3FT) (NONE)	1	EA	5,000.00	5,000.00	4,053.50	4,053.50	6,000.00	6,000.00
465-6233	INLET (COMP) (SIDEWALK BRIDGE)	2	EA	5,000.00	10,000.00	1,691.25	3,382.50	5,000.00	10,000.00
529-6007	CONC CURB & GUTTER (TY I)	544	LF	30.00	16,320.00	28.14	15,308.16	70.00	38,080.00
531-6002	CONC SIDEWALKS (5")	1,541	SY	65.00	100,165.00	71.33	109,919.53	80.00	123,280.00
531-6004	CURB RAMPS (TY 1)	8	EA	1,200.00	9,600.00	1,636.25	13,090.00	5,000.00	40,000.00
666-6048	REFL PAV MRK TY I (W) 24" (SLD) (100MIL)	197	LF	10.00	1,970.00	9.77	1,924.69	30.00	5,910.00
666-2024	REFL PAV MRK TY I (W) 6" (SLD) (100MIL)	188	LF	5.00	940.00	8.78	1,650.64	7.00	1,316.00
666-6225	PAVEMENT SEALER 6"	188	LF	5.00	940.00	5.12	962.56	5.00	940.00
666-6230	PAVEMENT SEALER 24"	197	LF	10.00	1,970.00	6.98	1,375.06	11.00	2,167.00
678-6002	PAV SURF PREP FOR MRK (6")	188	LF	10.00	1,880.00	1.46	274.48	7.00	1,316.00
678-6008	PAV SURF PREP FOR MRK (24")	197	LF	10.00	1,970.00	2.79	549.63	11.00	2,167.00
5003-6001	RETROFIT DET WARN SURF (SURF APPLIED)	162	SF	35.00	5,670.00	23.65	3,831.30	50.00	8,100.00
5005-6013	CONCRETE VEHICULAR GRADE CROSSING	32	LF	50.00	1,600.00	148.21	4,742.72	250.00	8,000.00
GRA-00003	WALL MOUNT LIGHT	1	EA	2,500.00	2,500.00	415.80	415.80	2,500.00	2,500.00
GRA-00007	6" PVC PIPE	54	LF	15.00	810.00	20.29	1,095.66	50.00	2,700.00
GRA-00008	PRE-FAB CATCH BASIN	1	EA	3,500.00	3,500.00	2,204.13	2,204.13	5,000.00	5,000.00

0192-6013	MULCH	58	SY	10.00	580.00	20.63	1,196.54	60.00	3,480.00
0192-6016	PLANT BED PREPARATION	58	SY	17.00	986.00	41.25	2,392.50	120.00	6,960.00
0192-6024	PLANT MATERIAL (30 GAL) (TREE)	14	EA	700.00	9,800.00	825.00	11,550.00	700.00	9,800.00
0192-6046	PLANT MATERIAL (MIN 3" CAL) (B&B)	4	EA	1,500.00	6,000.00	2,406.25	9,625.00	1,000.00	4,000.00
1005-6001	LOOSE AGGREGATE FOR GROUNDCOVER (TYI)	12	CY	100.00	1,200.00	124.74	1,496.88	500.00	6,000.00
0168-2001	VEGETATIVE WATERING	2.00	MG	100.00	200.00	200.00	400.00	3,000.00	6,000.00
0193-6001	PLANT MAINTENANCE	12.00	MO	2,000.00	24,000.00	380.00	4,560.00	500.00	6,000.00
					0.00		0.00		0.00
			Subtotal		**361,076.00**		**426,092.32**		**565,396.00**

Additive Alternate

Item	Description	Estimated Quantity		Highway 19 Construction, LLC Unit Price	Highway 19 Construction, LLC Total Price	Mitchell Enterprises Unit Price	Mitchell Enterprises Total Price	GHB Equipment Company, LLC Unit Price	GHB Equipment Company, LLC Total Price
0500-6001	MOBILIZATION	1	LS			8,332.50	8,332.50	10,000.00	10,000.00
0502-6001	BARRICADES, SIGNS AND TRAFFIC HANDLING	10	MO			900.00	9,000.00	400.00	4,000.00
104-6017	REMOVING CONC (DRIVEWAYS)	163	SY			33.91	5,527.33	50.00	8,150.00
104-6022	REMOVING CONC (CURB AND GUTTER)	60	LF			12.16	729.60	40.00	2,400.00
104-6036	REMOVING CONC (SIDEWALK OR RAMP)	627	SY			31.97	20,045.19	40.00	25,080.00
104-6040	REMOVE CONC (PAVERS)	48	SY			42.93	2,060.64	30.00	1,440.00
105-6011	REMOVING STAB BASE & ASPH PAV (2"-6")	158	SY			38.50	6,083.00	20.00	3,160.00
479-6001	ADJUSTING MANHOLES	1	EA			849.75	849.75	2,000.00	2,000.00
496-6002	REMOV STR (INLET)	2	EA			1,314.50	2,629.00	3,000.00	6,000.00
496-6097	REMOV STR (RR TRACK)	12	LF			55.00	660.00	70.00	840.00
506-6040	BIODEG EROSN CONT LOGS (INSTALL) (8")	80	LF			24.15	1,932.00	50.00	4,000.00
506-6043	BIODEG EROSN CONT LOGS (REMOVE) (8")	80	LF			2.64	211.20	15.00	1,200.00
644-6068	RELOCATE SM RD SN SUP & AM TY 10BWG	1	EA			313.50	313.50	3,000.00	3,000.00
677-6002	ELIM EXT PAV MRK & MRKS (6")	33	LF			4.13	136.29	20.00	660.00
677-6007	ELIM EXT PAV MRK & MRKS (24")	33	LF			11.00	363.00	40.00	1,320.00
752-6023	TREE TRIMMING	1	EA			627.00	627.00	500.00	500.00
GRA-00002	REMOVE GAS STUB & BOLLARDS	1	EA			2,000.00	2,000.00	700.00	700.00
360-6047	CONC PVMT (CONT REINF - CRCP) (6")	250	SY			170.00	42,500.00	120.00	30,000.00
450-6047	RAIL (HANDRAIL)(TY A)	84	LF			99.00	8,316.00	200.00	16,800.00
464-6003	PIPE (CLIII) (18 IN)	10	LF			253.00	2,530.00	200.00	2,000.00
465-6029	INLET (COMPL) (PCU) (3FT) (NONE)	1	EA			3,826.50	3,826.50	3,000.00	3,000.00
466-6181	WINGWALL (PW-1) (HW=6FT)	2	EA			16,000.00	32,000.00	12,000.00	24,000.00
529-6007	CONC CURB & GUTTER (TY I)	236	LF			29.00	6,844.00	70.00	16,520.00
531-6002	CONC SIDEWALKS (5")	1569	SY			71.00	111,399.00	80.00	125,520.00
531-6004	CURB RAMPS (TY 1)	9	EA			1,667.00	15,003.00	5,000.00	45,000.00
666-6048	REFL PAV MRK TY I (W) 24" (SLD) (100MIL)	195	LF			9.00	1,755.00	30.00	5,850.00
666-6230	PAVEMENT SEALER 24"	195	LF			6.50	1,267.50	11.00	2,145.00
678-6008	PAV SURF PREP FOR MRK (24")	195	LF			2.60	507.00	11.00	2,145.00
5003-6001	RETROFIT DET WARN SURF (SURF APPLIED)	32	SF			23.65	756.80	50.00	1,600.00
5005-6013	CONCRETE VEHICULAR GRADE CROSSING	32	LF			631.00	20,192.00	250.00	8,000.00
GRA-00004	VAULT DOOR	1	EA			2,590.50	2,590.50	2,500.00	2,500.00
GRA-00005	PRE-FORMED BOX WITH COVER	1	EA			796.40	796.40	5,000.00	5,000.00
GRA-00006	DEEPEN EDGE	181	LF			32.89	5,953.09	50.00	9,050.00
0192-6013	MULCH	82	SY			7.00	574.00	60.00	4,920.00
0192-6016	PLANT BED PREPARATION	82	SY			9.00	738.00	120.00	9,840.00
0192-6024	PLANT MATERIAL (30 GAL) (TREE)	19	EA			699.00	13,281.00	700.00	13,300.00
0192-6046	PLANT MATERIAL (MIN 3" CAL) (B&B)	10	EA			620.00	6,200.00	1,000.00	10,000.00
0193-6001	PLANT MAINTENANCE	12	MO			380.00	4,560.00	500.00	6,000.00
1005-6001	LOOSE AGGREGATE FOR GROUNDCOVER (TYI)	9	CY			126.00	1,134.00	500.00	4,500.00
0168-2001	VEGETATIVE WATERING	3	MG			200.00	600.00	3,000.00	9,000.00
			Subtotal		**0.00**		**344,823.79**		**431,140.00**



1 inch = 200 feet

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SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.4.**

Meeting Date: 03/19/2018

Prepared By: Steve Ayers, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6353

Authorizing Execution of an Interlocal Agreement between the City of Sherman and the Choice Partners Purchasing Cooperative, a Division of the Harris County Department of Education

Issue:

An Interlocal Agreement (ILA) with the Harris County Department of Education's purchasing cooperative, known as Choice Partners Purchasing Cooperative

Background:

By entering into an Interlocal Agreement with the Harris County Department of Education's Choice Partners Purchasing Cooperative, the City of Sherman will have the opportunity to realize competitively bid pricing for library furniture and shelving for the Sherman Library Renovation Project. Chapter 791 of the Texas Local Government Code authorizes local governments to enter into Interlocal agreements, which allows the local government to purchase from a contract currently existing between a purchasing cooperative and a vendor. This Interlocal Agreement fully satisfies the statutory competitive bid requirements.

Origination:

Library Services Department

Financial Consideration:

There is no cost associated with the agreement with Choice Partners Purchasing Cooperative.

Staff Recommendation:

Staff recommends the City Council authorize execution of an Interlocal Agreement between the City of Sherman and the Harris County Board of Education and its Choice Partners Purchasing Cooperative.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6353
Draft Interlocal Agreement

RESOLUTION NO. 6353

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN AND THE CHOICE PARTNERS PURCHASING COOPERATIVE, A DIVISION OF THE HARRIS COUNTY DEPARTMENT OF EDUCATION; 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, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with the Choice Partners Purchase Cooperative, a Division of the Harris County Department of Education, in the same or substantially same form as the contract documents to be attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

Interlocal Agreement
between Harris County Department of Education
&_____

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and Chapter 271, Subchapter F of the Texas Local Government Code, and other similar, applicable laws of other states, this Interlocal Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a local governmental entity and/or political subdivision ("LGE"), located in _____ (*city*), _____ (*state*), for the purpose of contracting for the performance of governmental functions and services. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas. Both HCDE and LGE desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Term. The term of this Agreement shall commence on the date of the first signature of this Agreement ("Effective Date") and shall automatically renew annually, unless either Party gives thirty (30) days prior written notice of non-renewal.

2. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

3. Purpose and Scope of Work.

   A. HCDE agrees to:
   - Provide LGE with descriptive offerings of each of the programs and services that HCDE provides.
   - Provide programs and services upon LGE's submission of independent contracts or purchase orders to HCDE and HCDE's acceptance thereof. HCDE's obligations to provide programs and services is contingent on HCDE acquiring and maintaining sufficient staffing through reasonable efforts to satisfy HCDE's obligations under this Agreement and all similar obligations under its contracts with other local governmental entities.
   - Conduct, at a minimum, an annual audit or survey, as appropriate, for each of the programs and services that HCDE delivers.

   B. LGE agrees to:
   - Participate in any or all of the programs and services that HCDE offers, in LGE's sole discretion.

- Submit purchase order(s) or independent contract(s) for each of the HCDE programs and/or services that LGE desires to purchase and/or collaborate.
- Agree to follow the terms and conditions of each independent contract or purchase order.
- Designate a person to act as LGE's representative to each respective HCDE program and/or service delivered.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of LGE.

5. Master Contract. This Agreement can be utilized as a Master Contract. The general terms and conditions in this Agreement will serve to outline the working relationship between HCDE and LGE.

   LGE agrees to adhere to the specific terms and conditions set forth for the HCDE programs and/or services as contracted by LGE. In the case of a conflict between this Agreement and any addendum, purchase order, or individual contract for a specific HCDE program or service, the provisions of the addendum, purchase order, or individual contract will govern.

6. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

7. Invoices. HCDE will invoice LGE for the HCDE programs and services that LGE purchases from HCDE. LGE agrees to remit payment to HCDE within thirty (30) days after the later of the following: (1) the date LGE receives the goods; (2) the date the performance of the service is completed; or (3) the date LGE receives an invoice for the goods or service. If LGE makes a payment to HCDE with a credit card, LGE agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

8. Participation in HCDE's Cooperative Purchasing Program. If LGE elects to participate in HCDE's cooperative purchasing program, Choice Partners, LGE shall be permitted to purchase goods and services using the contracts competitively procured by HCDE. HCDE does not assess a fee to LGE for participation in Choice Partners. LGE shall make payments directly to vendors. LGE shall be responsible for ordering, inspecting, and accepting the goods and services purchased through Choice Partners. LGE shall further be responsible for the vendors' compliance with provisions relating to the specific quality of goods and services delivered and terms of delivered, as set forth between LGE and the vendor. HCDE is not responsible or liable for the performance of any vendor used by LGE as a result of this Agreement or LGE's participation in Choice Partners.

9. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement and any purchase made under this Agreement.

10. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:

- By either Party, with or without cause, upon thirty (30) days' prior written notice;
- By mutual written agreement of the Parties; or
- By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

Termination of this Agreement by a Party shall not terminate an existing purchase order or individual contract between HCDE and LGE or between LGE and an HCDE cooperative purchasing program vendor. In the event of termination of this Agreement or any purchase order or individual contract, LGE shall be responsible for compensating HCDE for programs and services provided by HCDE up to the effective date of termination.

11. Assignment. Neither this Agreement nor any duties or obligations entered in subsequent contracts because of this agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

12. Conflict of Interest. During the Term of HCDE's service to LGE, LGE, its personnel and agents, shall not, directly or indirectly, whether for LGE's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

13. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

14. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____("LGE")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

15. Relation of Parties. It is the intention of the parties that LGE is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and LGE or HCDE and any of LGE's representatives.

16. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide LGE with programs or services. During the Term of this Agreement, LGE reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

17. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

18. Limitation of Liability. Without waiver of the Disclaimer in Article 17 of this Agreement, the Parties agree that:
    - Neither Party waives any immunity afforded to it under applicable law; and
    - Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

20. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas.

21. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

22. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

23. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and LGE have executed this Agreement to be effective on the date specified in Article 1. Term above:

_____	Harris County Department of Education
Name of Local Governmental Entity	
_____	_____
Authorized Signature	
_____	James Colbert, Jr.
Printed Name	
_____	County School Superintendent
Title	
_____	_____
Date	Date

Type of Local Governmental Entity (*select one*):

- ☐ School District
- ☐ Charter School
- ☐ County
- ■ City/Municipality
- ☐ University
- ☐ College
- ☐ State Entity
- ☐ Governmental entity/other: _____

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.5.**

Meeting Date: 03/19/2018

Prepared By: Steve Ayers, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6354

Authorizing the Purchase of Furniture and Shelving for the Sherman Library Renovations Project from Library Interiors of Texas, LLC, through the Choice Partners Purchasing Cooperative, a Division of the Harris County Board of Education

Issue:

Authorizing Library Services to purchase new furniture and shelving for the Sherman Library Renovations Project through the Choice Partners Purchasing Cooperative, a Division of the Harris County Board of Education

Background:

At the July 17, 2017 meeting, an agreement to implement the construction phase of the Sherman Library Renovations Project contract was approved. Furniture and shelving purchases are included in the approved budget for this project.

The Choice Partners Purchasing Cooperative was created by the Harris County Board of Education to increase the purchasing power of government entities. Purchasing through Choice Partners fully satisfies the provisions of Texas Local Government Code Section 271.

Origination:

Library Services Department

Financial Consideration:

The cost for the purchase of furniture and shelving for the Sherman Library Renovations Project from Library Interiors of Texas, LLC through Choice Partners is estimated at $283,247.55 and is included in funding available in the Capital Improvement Program Fund.

Staff Recommendation:

Staff recommends that the City Council approve this purchase request through the Choice Partners Purchasing Cooperative.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6354

Quotation - Library Interiors of Texas, LLC

RESOLUTION NO. 6354

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF FURNITURE AND SHELVING FOR THE SHERMAN LIBRARY RENOVATIONS PROJECT FROM LIBRARY INTERIORS OF TEXAS, LLC, THROUGH THE CHOICE PARTNERS PURCHASING COOPERATIVE, A DIVISION OF THE HARRIS COUNTY BOARD OF EDUCATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed to purchase from Library Interiors of Texas, LLC, through the Choice Partners Purchasing Cooperative, a Division of the Harris County Board of Education, new furniture and shelving for the Sherman Library Renovations Project at a total price of Two Hundred Eighty-Three Thousand Two Hundred Forty-Seven Dollars and Fifty-Five Cents ($283,247.55). Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2017-2018 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.

PASSED AND APPROVED on this the _____day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

Quotation No. Q2176-D

LIBRARY INTERIORS OF TEXAS, LLC
6012 York Bridge Cir
Austin, TX, 78749
P: 888-689-5489 (LITX)
F: 888-690-5489 (LITX)

Issued By: Michael Taylor

Library Interiors - TX Project ID: Q2176-D

Date: 1/31/2018

Vendor Contract #: 14/022CG-07

Bill-to City of Sherman
220 W. Mulberry St
Sherman, TX 75090

Contact: Melissa Eason
Phone: 903 892 7240

Ship-to: Sherman Public Library
421 N. Travis St
Sherman, TX 75090

Contact: Melissa Eason
Phone: 903 892 7240

Terms Net 30 Days

Item #	Colors/Finishes	Quantity	Part#	Description	Unit List	Ext List	Disc	Unit Net	Ext Net
						$	%	$	$
Choice Partners - Instructional Furniture Contract Number 14/022CG-07 - July 15, 2014 / 5									
Adult Furnishings									
T1	Tops: Wilsonart New Age Oak Edge: Black on Oak Legs: Arctic Silver	8	X-MYR-3048-O	Worden Myriad Study Table. 30"w x 40"l	1,286.00	10,288.00	45%	707.30	5,658.40
T2	Tops: Wilsonart New Age Oak Edge: Black on Oak Legs: Arctic Silver	3	MYR-3660-O	Worden Myriad Study Table. 36"w x 60"l	1,575.00	4,725.00	45%	866.25	2,598.75
CH1	Frame: Polished Chrome Shell: Smoke Grey	28	CS1	Allermuir Casper Sled Base Chair	299.00	8,372.00	40%	179.40	5,023.20
LCH1	TBD	12	4211-GR6	Arcadia Intima Lounge Chair. Grade 6	1,972.00	23,664.00	35%	1,281.80	15,381.60
LCH2	CF Stinson Criss Cross	5	BEN-3219-GR4	Sparkeology Ben Upholstered Bench. Grade 4. 32"w x 19"d	1,159.00	5,795.00	35%	753.35	3,766.75
AC1	Panels: Clear on Oak Frame: Sparkler Silver Tops: Wilsonart Slate Grey D91-60	2	FX-CS8-SQ-PB-W	Palmieri Flex 8 Person Computer Station with Wood End Panels	11,124.00	22,248.00	45%	6,118.20	12,236.40
CH2	Frame: Polished Chrome Shell: Ruby Red	19	CS1	Allermuir Casper Sled Base Chair	299.00	5,681.00	40%	179.40	3,408.60
OP1	TBD	2	T2.OPAC	T2 Design OPAC Unit	2,500.00	5,000.00	35%	1,625.00	3,250.00
Adult Shelving									
SH1	Light Grey	38	W6636 SIBS3610A	Adult Non Fiction Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	27,322.00	55%	323.55	12,294.90
EP1	Clear on Oak	10	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	3,625.60	45%	199.41	1,994.08
SH1	Light Grey	7	W6636 SIBS3610A	Special Collections Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	5,033.00	55%	323.55	2,264.85
EP1	Clear on Oak	2	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	725.12	45%	199.41	398.82

HUB

Library Interiors of Texas, LLC. standard terms and conditions of sale apply.

Certified WBE Women's Business Enterprise

Quotation No. Q2176-D

SH1	Light Grey	35	W6636 SIBS3610A	Adult Fiction Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	25,165.00	55%	323.55	11,324.25
EP1	Clear on Oak	10	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	3,625.60	45%	199.41	1,994.08
SH2	Light Grey	23	W6636 SIBS3610A	Popular Materials Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	16,537.00	55%	323.55	7,441.65
EP2	Clear on Oak	10	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	3,625.60	45%	199.41	1,994.08
SH3	Light Grey	9	EDDUPT6611 SIBS3610A	DVD Shelving. Estey Designer Series 3 Section Mobile Shelving Unit with Sloping Integral Back Shelves, and Zig Zag Shelves. 66"h x 108"l x 22"d	3,371.00	30,339.00	55%	1,516.95	13,652.55
EP3	Clear on Oak	6	LD75-6825-O	Worden Oak End Panel. 66"h x 22"w x .75"t	362.56	2,175.36	45%	199.41	1,196.45
SH4	Light Grey	4	WFIB81100	Periodicals Shelving. Estey Welded Frame Shelving Unit with Flat Integral Back Shelves. 84"h x 36"w x 10"d	530.00	2,120.00	55%	238.50	954.00
EP4	Clear on Oak	2	LD75-9014-O	Worden Oak End Panel. 84"h x 10"d	290.19	580.38	45%	159.60	319.21
SH4	Light Grey	5	WFIB81100	Popular Materials Shelving. Estey Welded Frame Shelving Unit with Flat Integral Back Shelves. 84"h x 36"w x 10"d	530.00	2,650.00	55%	238.50	1,192.50
EP4	Clear on Oak	2	LD75-9014-O	Worden Oak End Panel. 84"h x 10"d	290.19	580.38	45%	159.60	319.21
SH7	Light Grey	5	W8436 VCS3608A	Audio Shelving. Estey Welded Frame Shelving Unit with Audio Shelf. 84"h x 36"w x 10"d	592.00	2,960.00	55%	266.40	1,332.00
SH7	Light Grey	2	LD75-9014-O	Worden Oak End Panel. 84"h x 10"d	290.19	580.38	45%	159.60	319.21
SH8	Light Grey	22	WFIB81100	Special Collections Shelving. Estey Welded Frame Shelving Unit with Flat Integral Back Shelves. 84"h x 36"w x 10"d	530.00	11,660.00	55%	238.50	5,247.00
EP8	Clear on Oak	4	LD75-9014-O	Worden Oak End Panel. 84"h x 10"d	290.19	1,160.76	45%	159.60	638.42

Children's Furnishings

T3	Top: Red Edgeband: Bullseye Red Legs: Clear on Maple	3	MMTROLWD.004225	Worden Mix and Max Childrens Table. 42"dia x 25"h	1,279.00	3,837.00	45%	703.45	2,110.35
T3	Top: Blue Edgeband: Spectrum Blue Legs: Clear on Maple	2	MMTROLWD.004225	Worden Mix and Max Childrens Table. 42"dia x 25"h	1,279.00	2,558.00	45%	703.45	1,406.90
T4	Top: Bannister Oak Legs: Silver	4	KTR25	Muzo Kite Fold and Nest Table. 25"w x 60"l x 25"h	1,005.00	4,020.00	35%	653.25	2,613.00
CH3	Shell: Marti Gras Legs: Starlight Silver Metallic	44	IW418	KI Intellect Wave Children's Chair	113.00	4,972.00	35%	73.45	3,231.80

CH3	Shell: Nemo Legs: Starlight Silver Metallic	4	IW418	KI Intellect Wave Children's Chair	113.00	452.00	35%	73.45	293.80
CH3	Shell: Zesty Lime Legs: Starlight Silver Metallic	6	IW418	KI Intellect Wave Children's Chair	113.00	678.00	35%	73.45	440.70
CH3	Shell: Rubber Ducky Legs: Starlight Silver Metallic	6	IW418	KI Intellect Wave Children's Chair	113.00	678.00	35%	73.45	440.70
LCH3	TBD	5	BSA	Leland Beach Stone A	795.00	3,975.00	35%	516.75	2,583.75
S1	TBD	3	BSB	Leland Beach Stone B	815.00	2,445.00	35%	529.75	1,589.25
S2	TBD	3	BSB	Leland Beach Stone C	835.00	2,505.00	35%	542.75	1,628.25
CC1	Panels: Clear on Oak Frame: Sparkler Silver Tops: Wilsonart Slate Grey D91-60	1	FX-CS8-SQ-PB-W	Palmieri Flex 8 Person Computer Station with Laminate End Panels	10,862.00	10,862.00	45%	5,974.10	5,974.10
CC2	Panels: Clear on Oak Frame: Sparkler Silver Tops: Wilsonart Slate Grey D91-60	1	FX-CS6-SQ-PB-W	Palmieri Flex 6 Person Single Faced Computer Station with Laminate End Panels	7,348.00	7,348.00	45%	4,041.40	4,041.40
S3	Momentum Cover Cloth Sorrel	4	X-PBLOX-17-GR3	MediaTechnologies Toadstool Upholstered Stool	755.00	3,020.00	40%	453.00	1,812.00
S3	Momentum Cover Cloth Electric	4	X-PBLOX-17-GR3	MediaTechnologies Toadstool Upholstered Stool	755.00	3,020.00	40%	453.00	1,812.00
S3	Momentum Cover Cloth Flame	6	X-PBLOX-17-GR3	MediaTechnologies Toadstool Upholstered Stool	755.00	4,530.00	40%	453.00	2,718.00
T5	Clear Coat on Birch	1	4903	3Branch Discovery Table with 1 x Lego/Smooth Reversible Top and 2 Storage Bins	5,650.00	5,650.00	35%	3,672.50	3,672.50
Children's Shelving									
SH1	Light Grey	10	W6636 SIBS3610A	JV Fiction Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	7,190.00	55%	323.55	3,235.50
EP1	Clear on Oak	4	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	1,450.24	45%	199.41	797.63
SH1	Light Grey	15	W6636 SIBS3610A	JV Non Fiction Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	10,785.00	55%	323.55	4,853.25
EP1	Clear on Oak	6	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	2,175.36	45%	199.41	1,196.45
SH1	Light Grey	10	W6636 SIBS3610A	Young Adult Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 66"h x 36"w x 20"d	719.00	7,190.00	55%	323.55	3,235.50
EP1	Clear on Oak	4	LD75-6825-O	Worden Oak End Panel. 66"h x 20"w x .75"t	362.56	1,450.24	45%	199.41	797.63

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SH5	Light Grey	4	W4836 SIBS3610A	Childrens Periodicals Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 48"h x 36"w x 20"d	543.00	2,172.00	55%	244.35	977.40
EP5	Clear on Oak	2	LD75-5025-O	Worden Oak End Panel. 48"h x 20"w x .75"t	267.59	535.18	45%	147.17	294.35
SH6	Light Grey	4	W4836 SIBS3610A	Children's AV Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Zig Zag Shelves. 48"h x 36"l x 22"d	3,371.00	13,484.00	55%	1,516.95	6,067.80
EP6	Clear on Oak	2	LD75-5025-O	Worden Oak End Panel. 48"h x 22"w x .75"t	267.59	535.18	45%	147.17	294.35
SH5	Light Grey	16	W4836 SIBS3610A	Childrens Picture & Easy Shelving. Estey Welded Frame Shelving Unit with Sloping Integral Back Shelves, and Wire Book Supports. 48"h x 36"w x 20"d	543.00	8,688.00	55%	244.35	3,909.60
EP5	Clear on Oak	8	LD75-5025-O	Worden Oak End Panel. 48"h x 20"w x .75"t	267.59	2,140.72	45%	147.17	1,177.40
Conference Room									
T6	Top: Bannister Oak Legs: Silver	4	KTR25	Muzo Kite Fold and Nest Table. 30"w x 60"l x 29"h	1,005.00	4,020.00	35%	653.25	2,613.00
CH4	Mesh: Platinum Seat: Bobby Anchor Frame: Black	10	3610M-R3-GRD	OFS Genus Mesh Back Task Chair. Grade D	696.00	6,960.00	40%	417.60	4,176.00
Snack Area									
T7	Top: Wilsonart Twilight Zephr Edge: Natural (11) Column: Chrome (C)	2	M2CSBB-C-P-W2	Leland M2 Pedstal Base Bar Table. 30"dia x 42"h	1,491.00	2,982.00	35%	969.15	1,938.30
S4	Shell: Lime (65) Frame: Chrome (C)	4	M2B-S	Leland M2 Bar Chair	701.00	2,804.00	35%	455.65	1,822.60
Meeting Room									
T6	Top: Bannister Oak Legs: Silver	10	KTR25	Muzo Kite Fold and Nest Table. 30"w x 60"l x 29"h	1,005.00	10,050.00	35%	653.25	6,532.50
CH2	Frame: Polished Chrome Shell: Ruby Red	80	CS1	Allermuir Casper Sled Base Chair	299.00	23,920.00	40%	179.40	14,352.00
D1	Black	4	CSTROLLEY	Allermuir Casper Chair Dolly	1,211.00	4,844.00	40%	726.60	2,906.40
Staff Areas									
CH4	Mesh: Platinum Seat: Bobby Anchor Frame: Black	4	3610M-R3-GRD	OFS Genus Mesh Back Task Chair. Grade D	696.00	2,784.00	40%	417.60	1,670.40
T8	Top: Wilsonart Twilight Zephr Edge: Natural (11) Column: Chrome (C)	1	M2CMB-C-P-W2	Leland M2 Pedestal Base Table. 36"dia	1,850.00	1,850.00	35%	1,202.50	1,202.50

Quotation No. Q2176-D

CH5	Shell: Lime (65) Frame: Chrome (C)	4	MSS-S	Leland M2 Side Chair	475.00	1,900.00	35%	308.75	1,235.00
OW1	TBD	1	MIR	Snap Office Mirage Directors Office Configuration	5,850.00	5,850.00	50%	2,925.00	2,925.00
CH4	Mesh: Platinum Seat: Bobby Anchor Frame: Black	1	3610M-R3-GRD	OFS Genus Mesh Back Task Chair. Grade D	696.00	696.00	40%	417.60	417.60
CH1	Shell: Clear on Oak Legs: Arctic Silver	2	TJ.S.WW.O	Worden TJ Study Chair	547.00	1,094.00	45%	300.85	601.70
OW2	TBD	1	MIR	Snap Office Mirage 3 Staff Member Cubicle Configuration	20,765.00	20,765.00	50%	10,382.50	10,382.50
CH4	Mesh: Platinum Seat: Bobby Anchor Frame: Black	3	3610M-R3-GRD	OFS Genus Mesh Back Task Chair. Grade D	696.00	2,088.00	40%	417.60	1,252.80
CD1	Tops: Wilsonart Slate Grey Shell: Clear on Oak	1	CUSTOM	Worden Custom Circulation Desk	38,500.00	38,500.00	45%	21,175.00	21,175.00
PED1	TBD	3	1919	Great Openings Pencil/Box/File Mobile Pedestal	696.00	2,088.00	35%	452.40	1,357.20
Misc									
R1	TBD	40		End of Range Acrylic Sign Holder. 8.5" x11"	50.00	2,000.00	net	50.00	2,000.00

Product Total:	257,966.81
Delivery:	12,898.34
Installation:	12,382.41
Total, supplied, delivered, and installed:	**$283,247.55**

HUB

Library Interiors of Texas, LLC. standard terms and conditions of sale apply.

Certified WBE Women's Business Enterprise

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.6.**

Meeting Date: 03/19/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6355***

Awarding a Bid to and Authorizing Execution of a Contract with Atlas Utility Supply for the Purchase of Water Meters for the Customer and Utility Services Department

Issue:

To consider the award of bid to Atlas Utility Supply for the annual purchase of water meters

Background:

A request for bids was publicly advertised; and five (5) bids were received and opened on February 27, 2018, as noted in the attached bid tabulation (Exhibit B). The two lowest bids were rejected due to inability to meet (1) meter testing requirements, and (2) contract requirements (Exhibit C). Atlas Utility Supply of Fort Worth, Texas, was the lowest responsive bid that met the contract requirements for the purchase of water meters meeting City specifications.

Origination:

Customer and Utility Services

Financial Consideration:

Funds are budgeted for fiscal year 2017-2018 in the amount of $120,000.00 for the purchase of water meters under two inches (2").

Staff Recommendation:

It is recommended that the City Council award the bid to Atlas Utility Supply of Fort Worth, Texas, the lowest qualified bidder that met City specifications, and authorize the City Manager to execute the contract documents.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6355
Exhibit A - City of Sherman Standard Contract
Exhibit B - Bid Tabulation
Exhibit C - Unresponsive Bid Explanations

RESOLUTION NO. 6355

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH ATLAS UTILITY SUPPLY FOR THE PURCHASE OF WATER METERS FOR THE CUSTOMER AND UTILITY SERVICES DEPARTMENT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Atlas Utility Supply of Fort Worth, Texas, is hereby awarded the City of Sherman's contract for the supply of water meters for the Customer and Utility Services Department, in accordance with all bid documentation attached hereto and incorporated herein for all purposes.

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 Atlas Utility Supply for the purchase of water meters for the Customer and Utility Services Department, in the same or substantially same form as the contract documents to be attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

CITY OF SHERMAN
STANDARD CONTRACT

This Agreement is made by and between the City of Sherman, Texas, a home-rule municipality, hereinafter referred to as "Buyer", and the hereinafter named SELLER, referred to as the "Seller," for the sale of goods, materials and items specified hereinafter, and the Buyer and Seller hereby agree as follows:

Seller:

Name: _____

Address: _____

City, State, Zip: _____

Telephone: _____

Email: _____

DESCRIPTION OF GOODS:

This Contract is for the purchase by the City of Sherman, Texas, of the goods, materials and items described hereinafter as the "goods" or the subject of this Contract, and such parts, attachments, accessories, devices, and apparatus as may be considered an integral part of the Goods or necessary for the proper use or application of the Goods, whether or not specified herein. The Goods are more specifically described as follows:

Water Meters

[CHECK ONE:]

_____ This contract is a "fixed price—fixed quantity" Contract for the purchase of the specified quantity at the specified price. The full quantity of the Goods shall be delivered to and received at the designated point or points of delivery no later than the date specified herein below. This date is a material term and condition of the Contract and, in connection with the delivery date, time is and shall be of the essence.

OR

____X____ This Contract is for a specific duration wherein the Seller will supply, furnish and deliver at the designated point or points of delivery the specified Goods in the quantities requested by Buyer at the time of Buyer's order. The delivery date(s) shall be set forth in Buyer's order. This Contract is not intended to be and shall not be construed as an exclusive requirements contract. This Contract is non-exclusive and Buyer may acquire any or all of its requirements for the specified Goods from Seller or any other source deemed appropriate by Buyer. Upon the conclusion of the duration of this Contract, Buyer may renew this agreement for four additional one (1) year periods upon sending written notice of intent thereof within forty-five (45) days prior to the expiration of the last day of the term of this Contract.

PAYMENT TERMS:

The purchase price of the Goods shall be that contained in the Seller's bid and specifically accepted in writing by Buyer. Seller shall submit separate invoices on each order after each delivery. Invoices shall indicate the purchase order number if applicable, and shall be itemized. A copy of the packing slip should be attached to the invoice. Mail to the City of Sherman, Finance Department, PO Box 1106, Sherman, TX 75091-1106. Payment shall not be due until the above instruments are submitted, until the Goods have been received by Buyer, and until Buyer has had sufficient opportunity to inspect and exercise its right to accept or reject. Seller shall keep the Finance Department advised of any changes in their remittance addressees. In no event shall Buyer be responsible for interest of any kind on any funds due to Seller, and no term or provision contained in any Seller's invoice shall in any way modify, vary or alter the provisions hereof.

Buyer's obligation is payable solely from funds available for the purpose of the purchase. Lack of funds shall render this contract null and void and to the extent funds are not available, any delivered but unpaid for goods will be returned to Seller by Buyer.

CONTRACT TERMS AND CONDITIONS

This Contract is made and entered into between the parties hereto in accordance with and subject to the following additional terms and conditions:

1. **SELLER TO PACKAGE GOODS:** Seller will package Goods in accordance with good commercial practice. Each shipping container shall be clearly marked and permanently packed as follows: (a) Seller's name and address; (b) Consignee's name, address, and purchase order number; (c) Container number and total number of containers, e.g. box 1 of 4 boxes; and (d) the number of the container bearing the packing slip. Seller shall bear cost of packing unless otherwise provided. Goods shall be suitably packed to secure lowest transportation costs and to conform to requirement of common carriers and any applicable specifications. Buyer's count or weight shall be final and conclusive on shipment not accompanied by packing lists.

2. **SHIPMENT UNDER RESERVATION PROHIBITED:** Seller is not authorized to ship the Goods under reservation and no tender of a bill of lading will operate as a tender of goods.

3. **TITLE AND RISK OF LOSS:** The title and risk of loss of the Goods shall not pass to the Buyer until the Buyer actually receives and takes possession of the Goods at the point or points of delivery.

4. **DELIVERY TERMS AND TRANSPORTATION CHARGES:** F.O.B. Destination Freight Prepaid unless delivery terms are specified otherwise in the bid; Seller shall pay for the transportation costs.

5. **NO PLACEMENT OF DEFECTIVE TENDER:** Every tender or delivery of Goods must fully comply with all provisions of this contract as to time of delivery, quality and the like. If a tender is made which does not fully conform, this shall constitute a breach and Seller shall not have the right to substitute a conforming tender, provided, where the time for performance has not yet expired, the Seller may reasonably notify Buyer of his intention to cure and may then make a conforming tender within the contract time but not afterward.

6. **PLACE OF DELIVERY:** The place of delivery shall be that set forth by written designation of the Buyer. The terms of this agreement are "no arrival, no sale."

7. **RIGHT OF INSPECTION:** Buyer shall have the right to inspect the goods at delivery before accepting them.

8. **REJECTION OF GOODS:** It is agreed that if Buyer rejects any of the goods sold pursuant to this agreement, Buyer's only duty shall be to reasonably notify Seller of the rejection and hold the goods for the disposition of Seller, and it is agreed that under no

circumstances shall Buyer be required to resell the rejected goods or incur the cost to deliver same to Seller.

9. **GRATUITIES:** The Buyer may, by written notice to the Seller, cancel this contract without liability to the Seller if it be determined by the Buyer that gratuities, in the form of entertainment, gifts, or otherwise were offered or given by the Seller, or any agent or representative of the Seller, to any officer or employee of City of Sherman with view toward securing the contract or securing favorable treatment with respect to awarding or amending, or the making of any determination with respect to the performing of such a Contract. In the event this Contract is canceled by Buyer pursuant to this provision, Buyer shall be entitled in addition to any other rights and remedies, to recover and withhold the amount of the cost incurred by the Seller in providing such gratuities.

10. **SPECIAL TOOLS AND TEST EQUIPMENT:** If the price stated on the face hereof includes the cost of any special tooling or any special test equipment fabricated or required by Seller for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the Buyer and to the extent feasible shall be identified by the Seller as such.

11. **WARRANTY – PRICE:**
    a. The price to be paid by the Buyer shall be that contained in the Seller's bid which Seller warrants to be no higher than Seller's current prices on orders for products of the kind and specification covered by the agreement for similar quantities under similar or like conditions and methods of purchase. In the event Seller breaches this warranty, the prices of the items shall be reduced to the Seller's current prices on orders by others, or in the alternative, Buyer may cancel this contract without liability for breach or Seller's actual expense.

    b. The Seller warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for commission, percentage, brokerage, or contingent fee excepting bona fide established commercial or selling agencies maintained by the Seller for the purpose of securing business. For breach of violation of this warranty, the Buyer shall have the right in addition to any other right or rights to cancel this contract without liability and to deduct from the contract price, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

12. **WARRANTY-PRODUCTS:** Seller shall not limit or exclude any implied warranties and any attempt to do so shall render this contract voidable at the option of the Buyer. No such attempts to limit, disclaim or exclude any warranties, whether of fitness, merchantability or otherwise, by Seller shall be binding or effective. Seller warranties that the Goods furnished will conform to the specifications, drawings, and descriptions listed in the bid invitation and to the sample(s) furnished by Seller, if any. In the event of

a conflict between the specifications, drawings, and descriptions, the specifications shall govern.

13. **SAFETY WARRANTY:** Seller warrants the product sold to the Buyer shall conform to the standards promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act of 1970. In the event that the products do not conform to OSHA standards, Buyer may return the product for correction or replacement at the Seller's expense. In the event that Seller fails to make the appropriate correction within a reasonable time, any correction made by Buyer will be at Seller's expense.

14. **NO WARRANTY BY BUYER AGAINST INFRINGEMENTS:** As part of this contract for sale, Seller agrees to ascertain whether goods manufactured in accordance with the specifications attached to this agreement will give rise to the rightful claim of any third person by way of infringement or the like. Buyer makes no warranty that the production of goods according to the specifications will not give rise to such claim, and in no event shall Buyer be liable to Seller in the event that Seller is sued on the grounds of infringement or the like. If Seller is of the opinion that an infringement or the like will result, he will notify Buyer to this effect in writing or the like, within two weeks after the signing of this agreement. If Buyer does not receive notice and a claim is asserted or Buyer is subsequently held liable for the infringement or the like, Seller will indemnify, defend and save Buyer harmless. If Seller in good faith ascertains that production of the goods in accordance with the specifications will result in infringement or the like, this contract shall be null and void except that Buyer will pay Seller the reasonable cost of his search as to infringements.

15. **CANCELLATION:** Buyer shall have the right to cancel for default on all or any part of the undelivered portion of this order if Seller breaches any of the terms hereof including warranties of Seller or the Seller becomes insolvent or commits acts of bankruptcy. Such right of cancellation is in addition to and not in lieu of any remedies which Buyer may have at law or equity. The Buyer may for any reason whatsoever terminate performance under this Contract by the Seller for convenience at any time. The Buyer shall give notice of such termination to the Seller specifying when termination becomes effective. Goods received but unopened or unused shall be made available to Seller for delivery. Buyer will, in the event of termination, remit such sums to Seller as may be due only for those Goods retained by Buyer.

16. **FORCE MAJEURE:** If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligation under the Agreement, then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after the occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as is effected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereafter provided, but for no longer periods and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

The term "Force Majeure" as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbance, act of public enemy, orders of any kind of government of the United States or State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals, or other causes not reasonably within control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirements that any Force majeure shall be remedied with all reasonable dispatch shall not require the settlements of strikes and lockouts by exceeding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.

17. **ASSIGNMENT – DELEGATION:** No right or interest in this contract shall be assigned or delegation of any obligation made by Seller without the written permission of the Buyer. An attempted assignment or delegation of Seller shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.

18. **MODIFICATIONS:** This contract can be modified or rescinded only in writing signed by both parties and their duly authorized agents.

19. **WAIVER:** No claim or right arising out of a breach in contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party.

20. **INTERPRETATION-PAROL EVIDENCE:** This writing is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this agreement. Acceptance or acquiescence in a course of performance rendered under this agreement shall not be relevant to determine the meaning of this agreement even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used in this agreement, the definition contained in the Code is to control.

21. **APPLICABLE LAW:** This agreement shall be governed by the Uniform Commercial Code. Wherever the term "Uniform Commercial Code" is used, it shall be construed as meaning the Uniform Commercial Code as adopted in the State of Texas as effective and in force on the date of this agreement.

22. **ADVERTISING:** Seller shall not advertise or publish, without Buyer's prior written consent, the fact that Buyer has entered into this contract, except to the extent necessary to comply with prior requests for information from an authorized representative of federal, state or local government.

23. **RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give written assurance of his intent to perform. In the event that a demand is made and no assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the contract.

24. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:** No officer or employee shall have a financial interest, direct or indirect, in any contract with the City, or be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies, or services, except on behalf of the City as an officer or employee. Any knowing and willful violation of this section shall constitute malfeasance in office, and any officer or employee guilty thereof shall forfeit his office or position. Any violation of this section with the knowledge, express or implied, of the person or corporation contracting with the governing body of the City shall render the contract involved voidable by the City Manager or the City Council.

25. **ENTIRE AGREEMENT:** This Contract, and all Specifications and Addenda attached thereto, constitute the entire and exclusive agreement between the Buyer and Seller with reference to the Goods. Specifically, but without limitation, this Contract supersedes any bid documents and all prior written or oral communications, representations and negotiations, if any, between the Buyer and Seller not expressly made a part hereof.

26. **INDEMNITY AND DISCLAIMER:** BUYER SHALL NOT BE LIABLE OR RESPONSIBLE FOR, AND SHALL BE INDEMNIFIED, HELD HARMLESS AND RELEASED BY SELLER FROM AND AGAINST ANY AND ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY CHARACTER, TYPE, OR DESCRIPTION, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES FOR INJURY OR DEATH TO ANY PERSON, OR INJURY OR LOSS TO ANY PROPERTY, RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS, INCLUDING THE SELLER, OR PROPERTY, ARISING OUT OF, OR OCCASIONED BY, DIRECTLY OR INDIRECTLY, THE PERFORMANCE OF SELLER UNDER THIS CONTRACT, INCLUDING CLAIMS AND DAMAGES ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF BUYER, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE BUYER UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. IT IS THE EXPRESSED INTENT OF THE PARTIES TO THIS

AGREEMENT THAT THE INDEMNITY PROVIDED FOR IN THIS CONTRACT IS AN INDEMNITY EXTENDED BY SELLER TO INDEMNIFY AND PROTECT BUYER FROM THE CONSEQUENCES OF THE SELLER'S AS WELL AS THE BUYER'S NEGLIGENCE, WHETHER SUCH NEGLIGENCE IS THE SOLE OR PARTIAL CAUSE OF ANY SUCH INJURY, DEATH, OR DAMAGE. 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.

27. **GOVERNING LAW:** The Contract shall be governed by the laws of the State of Texas. Venue for any causes of action arising under the terms or provisions of this Contract or the Goods to be delivered hereunder shall be in the courts of Grayson County, Texas.

28. **SUCCESSORS AND ASSIGNS:** The Buyer and Seller bind themselves, their successors, assigns and legal representatives to the other party hereto and to successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in this Contract. The Seller shall not assign this Contract without written consent of the Buyer.

29. **SEVERABILITY:** The provisions of this Contract are herein declared to be severable; in the event that any term, provision or part hereof is determined to be invalid, void or unenforceable, such determination shall not affect the validity or enforceability of the remaining terms, provisions and parts, and this Contract shall be read as if the invalid, void or unenforceable portion had not been included herein.

30. **NOTICES:** All notices required by this Contract shall be presumed received when deposited in the mail properly addressed to the other party at the address set forth herein or set forth in a written designation of change of address delivered to all parties.

IN WITNESS WHEREOF, this instrument, in duplicate originals of equal force, has been executed on behalf of SELLER and on behalf of BUYER, City of Sherman, by its City Manager and attested by its City Clerk, effective the ____ day of _____, 2018.

EXECUTED this_____ day of _____

SELLER:

_____
(Signature)

_____
(Type/Print Name and Title/Position)

_____
(Address)

_____
(City,State,Zip)

CITY OF SHERMAN:

_____
Robby Hefton,
City Manager
220 W. Mulberry
Sherman, TX 75090

ATTEST:

_____
Linda Ashby,
City Clerk

ATTEST:

_____
Brandon Shelby,
City Attorney

BID TABULATION
Water Meters
Bid Opening: 2:00 pm 02/27/2018

Item	Description	PRICE PER UNIT				
		Ferguson	Atlas	S & J Meter, Inc.	Zenner USA	AVR Inc
1	5/8" x 1/2" Positive displacement water meter	76.89	115.89	125.00	60.70	118.75
2	5/8" x 3/4" Positive displacement water meter	76.89	115.89	125.00	60.70	118.75
3	3/4" x 3/4" Short positive displacement water meter	94.50	138.31	135.00	74.19	135.60
4	3/4" x 3/4" Long positive displacement water meter	98.50	142.00	135.00	76.64	135.60
5	1" Positive displacement water meter	130.89	186.50	250.00	106.80	167.05
6	1 1/2" Positive displacement water meter	291.50	391.25	450.00	247.16	450.00
7	1 1/2" Turbine water meter	415.00	612.25	450.00	359.09	450.00
8	1 1/2" Turbine water meter, without test port	398.00	597.95	450.00	359.09	450.00
9	2" Positive displacement water meter, with test port	390.00	551.75	775.00	334.94	506.25
10	2" Turbine water meter, without test port	515.80	690.00	775.00	249.09	506.25
11	1 1/2" Low lead oval strainer	-	-	-	Included in item 7 & 8 pricing	-
12	1 1/2" Low lead oval meter flange set	49.72	69.95	-	92.00	-
13	2" Low lead oval strainer	-	285.00	-	135.67	-
14	2" Low lead oval meter flange set	55.17	74.95	-	100.00	-
15	1 1/2" Bronze oval strainer	-	-	-	Included in item 7 & 8 pricing	-
16	1 1/2" Bronze oval meter flange set	-	69.95	-	92.00	-
17	2" Bronze oval strainer	-	285.00	-	135.67	-
18	2" Bronze oval meter flange set	55.17	74.95	-	100.00	-

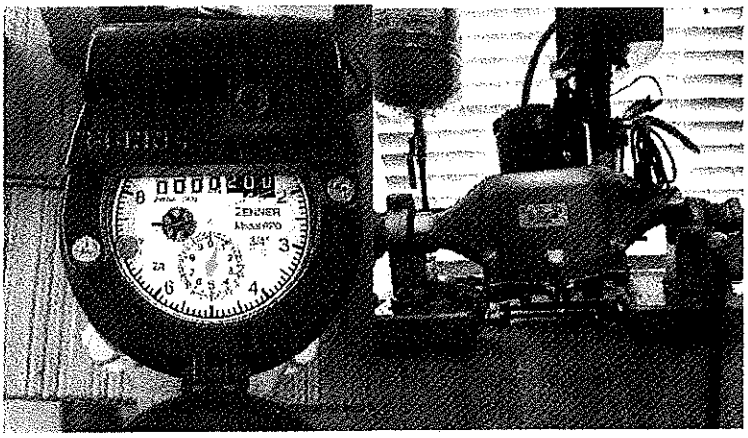
Water Meter Bid February 2018

Rejected Bids

Zenner Performance Meters - Lowest Bidder

After review and testing of two ¾" meters and one 1" meter, the bid was disqualified due to:

- The inline pitted connector is mounted on top of the meter register. This will cause difficulty in reading the meters and obscures the top part of the register dial.
- The 1" meter body will not fit on the test bench. Meters are tested (1) before returning to inventory; and (2) when inconsistent consumption history warrants; and (3) upon customer request. Ensuring meters are accurate before installation or re-installation is critical to billing and revenue collections.



Ferguson - Next Lowest Bidder

The bid included 18 Exceptions, which altered the City's contract requirements. Therefore, the bid was rejected.

S&J Meter Inc & AVR Inc

All meters are electronic with digital displays, which do not meet specifications.

EXHIBIT C

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.7.**

Meeting Date: 03/19/2018

Prepared By: Kevin Winkler, Public Works Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6356***

Authorizing the Purchase of a New Heil DP Python Body for the Solid Waste Department from Heil of Texas through the Texas Local Government Purchasing Cooperative (BuyBoard)

Issue:

To consider approval of a resolution to purchase a new Heil DP Python Body from the BuyBoard for use within the Solid Waste Department

Background:

The requested purchase is to replace unit 638, a 2004 Mack/McNeilus Sideloader.

The Texas Local Government Purchasing Cooperative was created to increase the purchasing power of government entities and to simplify their purchasing by using a customized electronic purchasing system called the BuyBoard.

Origination:

Department of Public Works

Financial Consideration:

The new Heil DP Python Body will be purchased from Heil of Texas for $134,350.00 through the BuyBoard. Funding for this purchase was
appropriated in the fiscal year 2017-2018 Solid Waste Department budget.

Staff Recommendation:

It is recommended that staff be authorized to purchase the new Heil DP Python Body through the BuyBoard.

Alternatives:

As may be recommended by the City Council

Attachments

Resolution No. 6356
Heil of Texas Quote
BuyBoard Interlocal Agreement

RESOLUTION NO. 6356

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A NEW HEIL DP PYTHON BODY FOR THE SOLID WASTE DEPARTMENT FROM HEIL OF TEXAS THROUGH THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed to purchase from Heil of Texas through the Texas Local Government Purchasing Cooperative (BuyBoard), a Heil DP Python Body at a total price of One Hundred Thirty-Four Thousand Three Hundred Fifty Dollars and No Cents ($134,350.00). Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2017-2018 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.

PASSED AND APPROVED on this the _____day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

Heil of Texas

1440 South Loop 12 Irving, Texas 75060
Phone: (972) 438-6488 Fax: (972) 438-5564
Email: tomhafer@heiloftexas.com

Quotation

Quote #: Q-01352
Date: 01/04/2018
Expires On: 03/31/2018

To: Michael Springer
City of Sherman
811 S. East St..
Sherman, Texas 75091

SALESPERSON	EXT	EMAIL	DELIVERY METHOD	PAYMENT METHOD
TOM HAFER	x	tomhafer@heiloftexas.com	HOT	Net 30

BuyBoard Contract #516-16 Item 23

QTY	PART #	PRODUCT NAME	DESCRIPTION
1	ASL001	ASL	**Heil DP Python 28 yd.ASL– Full Eject**
1	ASL007	Mount/ Service Hoist	**Full Factory Mount @ Heil/ Service Hoist Kit/ Full Eject**
1	ASL010	Hopper Drain	3" Hopper Drain Valve
1	ASL021	PTO / Pump	OIGAI – Front Mount Tandem Vane Pump
1	ASL031	Work Lights	Hopper & Lift LED Work Light Kit—in cab switch
1	ASL041	LED Lights	LED Light Package/ Front Strobes
1	ASL050	Floor Liner	Hopper & Body Floor Liner (3/16-150,000psi)
1	ASL042	LED	LED Type Body Lights- Petersen Multi-Function Smart Light
1	ASL043	LED	Body Side Backing Assist Lights
1	ASL035	Tool Box	Tool Box (Aluminum) Bumper Mounted (18x18x24)
1	ASL036	Fender	Fender Extension Kit
1	ASL037	Warranty	One (1) Year Hydraulic Warranty
1	ASL038	Fire Extinguishers	Dual Fire Extinguishers (20 lb.)w/ Brackets
1	ASL039	Remote Lift	Remote Lift Controls- mounted under seat
1	ASL040	Camera System	AWT-3rd Eye (3) camera system / color monitor 7"
1	ASL044	Mud-flaps	Mud-flaps behind rear wheels
1	ASL045	Grabbers	Belt Grabbers –spring loaded for 60-90 gal. carts
1	ASL046	Hopper	Hopper Hood
1	ASL047	Hopper Cover	Manual Hopper Cover
1	ASL048	Broom/Shovel Kit	Broom & shovel Kit – mounted underbody for clean-out
1	ASL049	Hopper	Severe Duty Packer Wear Bar kit
1	ASL055	Decals	Caution Decal on Tailgate
1	ASL050	Strobe Light	Single Strobe Light on Tailgate
1	ASL058	Mud Guards	Mud- Guards –Steel ahead of rear wheels
1	ASL056	Freight	Freight/ Destination Charge from Fort Payne Al. to Sherman Tx.

1	ASL	Hydraulic Cover	Hydraulic Cover for Hydraulic Lines / Camera Cable
1	ASL	Stops/ Python Arm	Stops installed on Arm.
			TOTAL PRICE: $134,350.00

TERMS AND CONDITIONS

1. General

No terms or conditions of Buyer's purchase order which is different from or in additions to Seller's terms and conditions set forth herein shall bind Seller unless expressly agreed to in writing by Seller's duly authorized representative. Buyer's acceptance of any offer made by Seller is expressly limited to the terms and conditions provided herein. Unless otherwise stated, Seller's quotation may be modified or withdrawn prior to acceptance, and in any event, shall expire after 30 days from its date. This order is not binding on TEXAN WASTE EQUIPMENT INC. dba HEIL OF TEXAS unit officially approved. The said machinery, equipment and/or parts are ordered and will be purchased subject to written contract only, and are not affected by any verbal representations of agreements, nor is this order subject to cancellation by the Purchaser without the Seller's consent.

2. Price and Payment

a) Price quoted herein are exclusive of all taxes. Any taxes levied or which ma become due, and other charges or assessments made by any taxing authority in connection with this contract or the sale, except those measured by Seller's net income, shall be expense of the Buyer and shall be payable to Seller at or before such tax or other amount is due. When Buyer is entitled to exemption from any tax, Buyer shall furnish Seller with a tax exemption certificate acceptable to the taxing authorities.
b) Interest at the rate of one and one-half per cent (1.5%) per month (18% per annum), or the maximum lawful rate allowable, will be charged, whichever is less, on all past due invoices. The undersigned agrees to pay all expenses, charges, costs and fees, including , without limitation, attorney's fees and expenses, of any nature whatsoever paid or incurred by, or on behalf of TEXAN WASTE EQUIPMENT INC. dba HEIL OF TEXS, in connection with any collection action brought hereunder. The invalidity of all or any part of any provision of this Agreement shall not render invalid the remainder of such provision or any other part of this Agreement.
c) TEXAN WASTE EQUIPMENT dba HEIL OF TEXAS, shall retain ownership of and title to the above machinery, equipment and parts covered by this order until fully paid for in cash and until any note given in evidence of indebtedness, and any renewals thereof, have been fully paid. If any such note is not paid in full at its maturity, all other notes and obligations given in evidence of indebtedness hereof shall at once become due, and the said TEXAN WASTE EQUIPMENT dba HEIL OF TEXAS, shall have the right to take possession of said machinery wheresoever it may be situated and sell the same pursuant to the conditional sales statutes of the State of Texas.

3. Delivery

a) If within 5 days after receipt of the goods, Buyer fails to notify the Seller in writing of any non-conforming goods, Buyer shall be deemed to have accepted the goods delivered.
b) Deliveries dates are estimated and not guaranteed by Seller and, in any event are conditioned upon receipt of all specifications and other data required to be furnished by the Buyer.
c) If shipment or delivery is delayed because of an act or omission of the Buyer, payment shall be due upon notification by Seller that goods are ready for shipment. Buyer shall pay any additional charges including, but not limited to, cost of storage, handling, and insurance.

4. WARRANTY AND LIMITATIONS OF LIABILITY

ANY EXPRESS WRITTEN WARRANTY PROVIDED BY THE MANUFACTURER OF THE EQUIPMENT DESCRIBED IN THIS QUOTATIONS IS GIVEN IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM DEFECTIVE GOODS, SELLER'S NEGLIGENCE, BREACH OF WARRANTY OR CONTRACT, OR CLAIMS BASED UPON STRICT LIABILTIY. IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL DAMAGES COMMERCIAL IN NATURE.

5. Delays

Sellers shall not be liable for the failure or delay in performance of any term, condition, or obligation hereunder due to any cause beyond the Seller's control, including but not limited to Acts of God, acts of the Buyer, war, insurrections or riots, fires, floods, accidents, acts, order or regulations of any government, inability to obtain necessary materials, services or facilities, strikes or other labor troubles.

6. Development Changes

Changes in design, specifications, construction or materials, may be made at Seller's discretion, and without Buyer's consent, where such changes do not materially affect price, delivery or guaranteed performance (if any) of the goods, or make unusable any other item of goods furnished hereunder.

7. Termination

No order may be terminated without Seller's written consent. Upon any termination Buyer shall pay reasonable termination charges, including but not limited to, manufacturing and sales costs, overhead, cost or goods and profit.

8. Miscellaneous

This agreement shall be binding upon the successors and assigns of the parties. If any provision herein is found to be invalid as a matter of law or by public policy, it shall be considered severed from the remainder of the provisions which shall remain in full force and effect. This agreement shall be governed by the law of the State of Texas.

ALL PRICES SUBJECT TO ANY APPLICABLE FEDERAL OR STATE TAXES AND TITLING FEES. QUOTE SUBJECT TO REVISION AFTER 15 DAYS.
NOTE: Please read carefully. This quote becomes a sales order if signed by customer. Your order will be processed as written! Notify of any changes needed within five (5) days of signing. Financing available, subject to credit approval. I have read and understand the terms and conditions on this Order.

X

_____

Date_____

Customer Approval to Process Order Date

Thank you for the opportunity to earn your business!

RECEIVED JUL 1 5 2002

YOUR COPY

RECEIVED

INTERLOCAL PARTICIPATION AGREEMENT
for the
Texas Local Government Purchasing Cooperative

This Interlocal Participation Agreement ("Agreement") is made and entered into by and between the Texas Local Government Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments, acting on its own behalf and the behalf of all participating local governments, and the undersigned local government of the State of Texas ("Cooperative Member"). The purpose of this Agreement is to facilitate compliance with state bidding requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Cooperative Members.

WITNESSETH:

WHEREAS, the Cooperative Members are authorized by Chapter 791, et seq., The Interlocal Cooperation Act of the Government Code ("the Act"), to agree with other local governments to form purchasing cooperatives; and

WHEREAS, the Cooperative is an administrative agency of local governments cooperating in the discharge of their governmental functions; and

WHEREAS, the Cooperative Member does hereby adopt the Organizational Interlocal Agreement, together with such amendments as may be made in the future, reflecting the evolving mission of the Cooperative and further agrees to become an additional party to that certain Organizational Interlocal Agreement promulgated on the 26th day of January, 1998.

NOW, THEREFORE, BE IT RESOLVED that the undersigned Cooperative Member in consideration of the agreement of the Cooperative and the Cooperative Members to provide services as detailed herein does agree to the following terms, conditions, and general provisions.

In return for the payment of the contributions and subject to all terms of this Agreement, the parties agree as follows:

TERMS AND CONDITIONS

1. **Adopt Organizational Interlocal Cooperation Agreement.** The Cooperative Member by the adoption and execution of this Agreement hereby adopts and approves the Organizational Interlocal Agreement dated January 26, 1998, together with such amendments as may be made in the future and further agrees to become a Cooperative Member.
2. **Term.** The initial term of this Agreement shall commence at 12:01 a.m. on the date executed and signed and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. The terms, conditions, and general provisions set forth below shall apply to the initial term and all renewals.
3. **Termination.**
    a. By the Cooperative Member. This Agreement may be terminated by the Cooperative Member at any time by thirty (30) days prior written notice to the Cooperative; provided all charges owed to the Cooperative and any vendor have been fully paid.
    b. By the Cooperative. The Cooperative may terminate this Agreement by:
        1. Giving ten (10) days notice by certified mail to the Cooperative Member if the Cooperative Member fails or refuses to make the payments or contributions as herein provided; or
        2. Giving thirty (30) days notice by certified mail to the Cooperative Member.

c. Termination Procedure. If the Cooperative Member terminates its participation during the term of this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member under any provision of this Article, the Cooperative Member shall bear the full financial responsibility for any purchases occurring after the termination date, and for any unpaid charges accrued during its term of membership in the Cooperative. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. The Cooperative Member will not be entitled to a refund of membership dues paid.

4. **Payments.**
   a. The Cooperative Member agrees to pay membership fees based on a plan developed by the Cooperative. Membership fees are payable by Cooperative Member upon receipt of an invoice from the Cooperative, Cooperative Contractor or vendor. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Section 2251.021, et seq., Texas Government Code, shall begin to accrue daily on the 31st day following the due date and continue to accrue until the contribution and late charges are paid in full. The Cooperative reserves the right to collect all funds that are due to the Cooperative in the event of termination by Cooperative Member or breach of this Agreement by Cooperative Member.
   b. The Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the Invitation to Bid and related procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring party shall be the exclusive obligation of the procuring Cooperative Member.
5. **Cooperative Reporting.** The Cooperative will provide periodic activity reports to the Cooperative Member. These reports may be modified from time to time as deemed appropriate by the Cooperative.
6. **Administration.** Cooperative Member will use the BuyBoard purchasing application in accordance with instruction from the Cooperative; discontinue use upon termination of participation; maintain confidentiality and prevent unauthorized use; maintain equipment, software and testing to operate the system at its own expense; report all purchase orders generated to Cooperative or its designee in accordance with instructions of the Cooperative; and make a final accounting to Cooperative upon termination of membership.
7. **Amendments.** The Board may amend this agreement, provided that notice is sent to each participant at least 60 days prior to the effective date of any change described in such amendment which, in the opinion of the Board, will have a material effect on the Cooperative Members participation in the Cooperative.

GENERAL PROVISIONS

1. **Authorization to Participate.** Each Cooperative Member represents and warrants that its governing body has duly authorized its participation in the Cooperative.
2. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all reasonable policies and procedures established by the Cooperative.
3. **Compensation.** The parties agree that the payments under this Agreement and all related exhibits and documents are amounts that fairly compensate the Cooperative for the services or functions performed under the Agreement, and that the portion of gross sales paid by participating vendors enables the Cooperative to pay the necessary licensing fees, marketing costs, and related expenses required to operate a statewide system of electronic commerce for the local governments of Texas.
4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to audit the relevant records of any Cooperative Member. Any breach of this Article shall be considered material and shall make the Agreement subject to termination on ten (10) days written notice to the Cooperative Member.

5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.
6. **Current Revenue.** The Cooperative Member hereby warrants that all payments, contributions, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.
7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to regulate the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative and/or any past or current Cooperative Member in any litigation, claim or dispute, and to engage counsel and appropriate experts, in the Cooperative's sole discretion, with respect to such litigation, claim or disputes. The Cooperative Member does hereby agree that any suit brought against the Cooperative or a Cooperative Member may be defended in the name of the Cooperative or the Member by the counsel selected by the Cooperative, in its sole discretion, or its designee, on behalf of and at the expense of the Cooperative as necessary for the prosecution or defense of any litigation. Full cooperation by the Cooperative Member shall be extended to supply any information needed or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement.
8. **Governance.** The Board of Trustees (Board) will govern the Cooperative in accordance with the Bylaws. Travis County, Texas will be the location for filing any dispute, claim or lawsuit.
9. **Limitations of Liability.** COOPERATIVE, ITS ENDORSERS (TEXAS ASSOCIATION OF SCHOOL BOARDS, TEXAS ASSOCIATION OF COUNTIES, AND TEXAS MUNICIPAL LEAGUE) AND SERVICING CONTRACTOR (TEXAS ASSOCIATION OF SCHOOL BOARDS) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. COOPERATIVE, ITS ENDORSERS AND SERVICING CONTRACTORS, HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT IN REGARD TO ANY AND ALL CAUSES OF ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER UNDER ANY CIRCUMSTANCES FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
10. **Merger.** This Interlocal Participation Agreement, Terms and Conditions, and General Provisions, together with the Bylaws, Organizational Interlocal Agreement, and Exhibits, represents the complete understanding of the Cooperative, and Cooperative Member electing to participate in the Cooperative.
11. **Notice.** Any written notice to the Cooperative shall be made by first class mail, postage prepaid, and delivered to the Associate Executive Director Financial Planning, Texas Association of School Boards, Inc., P.O. Box 400, Austin, Texas 78767-0400.
12. **Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall lie in Travis County, Texas.
13. **Warranty.** By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.

IN WITNESS WHEREOF, the parties, acting through their duly authorized representatives, sign this Agreement as of the date indicated.

TO BE COMPLETED BY THE COOPERATIVE:
TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE, as acting on behalf of all other Cooperative Members

By: _____ **Date:** 7-15-02
Gerald Brashears, Cooperative Administrator

TO BE COMPLETED BY COOPERATIVE MEMBER:

CITY OF SHERMAN, TEXAS

By: _____ **Date:** 5/28/2002
L. SCOTT WALL, CITY MANAGER

Coordinator for the Cooperative Member is:

Name:	MARYANN WINKLER
Address:	405 N. RUSK STREET SHERMAN, TEXAS 75090
Phone:	(903) 892-7285
Fax:	(903) 891-0255
Email:	PURCH@TEXOMA.NET

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **C.8.**

Meeting Date: 03/19/2018

Prepared By: Kevin Winkler, Public Works Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 6357***

Authorizing the Purchase of a 2019 Autocar ACX64 and Related Equipment for the Solid Waste Department from HGAC through the Texas Local Government Purchasing Cooperative (BuyBoard)

Issue:

To consider approval of a resolution to purchase a 2019 Autocar ACX64 from the BuyBoard for use within the Solid Waste Department

Background:

The requested purchase is to replace Unit 638, a 2004 Mack/Mcneilus Sideloader.

The Texas Local Government Purchasing Cooperative was created to increase the purchasing power of government entities and to simplify their
purchasing by using a customized electronic purchasing system called the BuyBoard.

Origination:

Department of Public Works

Financial Consideration:

The new 2019 Autocar ACX64 will be purchased from HGAC for $165,075.00 through the BuyBoard. This amount includes a Drive Axle Spare Wheel/Tire for $1,750.00 through the BuyBoard. Funding for this purchase was appropriated in the fiscal year 2017-2018 Solid Waste Department budget.

Staff Recommendation:

It is recommended that the staff be authorized to purchase the 2019 Autocar ACX64 through the BuyBoard.

Alternatives:

As may be recommended by the City Council

Attachments

Resolution No. 6357
HGAC Quote
BuyBoard Interlocal Agreement

RESOLUTION NO. 6357

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A 2019 AUTOCAR ACX64 AND RELATED EQUIPMENT FOR THE SOLID WASTE DEPARTMENT FROM HGAC THROUGH THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD); FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed to purchase from HGAC through the Texas Local Government Purchasing Cooperative (BuyBoard), a 2019 Autocar ACX64 and a spare wheel/tire at a total price of One Hundred Sixty-Five Thousand Seventy-Five Dollars and No Cents ($165,075.00). Any agreements related to the purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2017-2018 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.

PASSED AND APPROVED on this the _____day of _____, 2018.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON S. SHELBY, CITY ATTORNEY

HGACBuy	CONTRACT PRICING WORKSHEET For MOTOR VEHICLES Only	Contract No.:	HT06-16	Date Prepared:	11/27/2017

This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.

Buying Agency:	City of Sherman	Contractor:	Chastang Enterprises dba Chastang's Bayou City Autocar
Contact Person:	Michael Springer	Prepared By:	Carl Norberg
Phone:	903-892-7261	Phone:	713-678-5060
Fax:		Fax:	713-678-5001
Email:	michaels@ci.sherman.tx.us	Email:	cnorberg@chastangford.com

Product Code:	A3	Description:	2019 Autocar ACX64 suitable for an automated side loader refuse body

A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 87422

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable.
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
16" two stage air cleaner 10030	442	Chassis engineering layout & design 10061	2750
46,000 # Rear axle 10077	4456	5 Year Cummins engine warranty 10155	2850
Fuel water seperator 10027	320	Refuse vocational frame prep 10107	1438
2-spd engine fan 10029	475	Integrated LCD driver information center 10094	3140
46,000# Rear suspension 10082	4330	Front PTO adapter 10062	1188
5 Year exhaust aftertreatment warranty 10153	2850	Exterior Sun Visor 10120	1154
Trans refuse vocational optimal programming 10063	8370	Heated, Remote mirrors 10122	625
Synthetic rear axle lube 10068	424	Integrated body control compartment 10125	1277
Frame overhang over 56" 10090	740	120 Days floorplan 10132	5520
Non default wheelbase 10073	1748	Allison 4500 5-spd transmission 10045	8950
Double frame 10085	2730	**Subtotal From Additional Sheet(s):**	9590
5 Year transmission warranty 10152	1250	**Subtotal B:**	66617

C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
6-spd trans in lieu of 5 spd, Syn. Trans. Fluid, Speed Prog.	4414	4 Wheel locking differential, Air cab assist	2352
BT/WB Radio, Aluminum Rear Wheels	1920	**Subtotal From Additional Sheet(s):**	0
		Subtotal C:	8686

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). **For this transaction the percentage is:** 6%

D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C)

Quantity Ordered:	1	X Subtotal of A + B + C:	162725	=	Subtotal D:	162725

E. H-GAC Order Processing Charge (Amount Per Current Policy) **Subtotal E:** 600

F. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Description	Cost	Description	Cost
OPTION: (1) Steer Spare Wheel/Tire &		**Option: Process chassis invoice after factory visit**	
(1) Drive Axle Spare Wheel/Tire $1750		**to inspect chassis, DEDUCT $2000.**	0
		Subtotal F:	0

Delivery Date:	**90-120 days to body co.**	**G. Total Purchase Price (D+E+F):**	163325

HGACBuy THE SMART PURCHASING SOLUTION

HGACBuy	CONTRACT PRICING WORKSHEET For MOTOR VEHICLES Only	Contract No.:	HT06-16	Date Prepared:	11/27/2017

This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.

Buying Agency:	City of Sherman (PAGE 2)	Contractor:	Chastang Enterprises dba Chastang's Bayou City Autocar
Contact Person:	Michael Springer	Prepared By:	Carl Norberg
Phone:	903-892-7261	Phone:	713-678-5060
Fax:		Fax:	713-678-5001
Email:	michaels@ci.sherman.tx.us	Email:	cnorberg@chastangford.com

Product Code:	A3	Description:	PAGE 2

A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 0

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable.
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
Dual power windows 10119	866	16.5 x 7" refuse front brakes 10096	345
High back air ride driver's seat 10129	85	16.5 x 8.62" rear brakes 10098	385
Wire braided fuel lines 10109	274	22.5 x 9.0 Aluminum front wheels 10143	526
Door check straps 10123	155	Two Stage Air Cleaner 10030	442
Severe Duty Main Frame 10086	3684	LH Fuel Aluminum Fuel Tank 10104	682
LH Vertical Exhaust 10033	749	Heated Fuel Water Seperator 10027	320
Optional mounting for air dryer 10113	204		
Central manifold for air drain 10114	196		
Steel battery box with aluminum lid 10115	148		
Chromed grille 10127	200		
2 Additional switches wired to power 10134	144	Subtotal From Additional Sheet(s):	0
Engine block heater 10028	185	Subtotal B:	9590

HGACBuy THE SMART PURCHASING SOLUTION

C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
		Subtotal From Additional Sheet(s):	0
		Subtotal C:	0

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). **For this transaction the percentage is:** 0%

D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C)

Quantity Ordered:	0	X Subtotal of A + B + C:	9590	=	Subtotal D:	0

E. H-GAC Order Processing Charge (Amount Per Current Policy) Subtotal E: 0

F. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Description	Cost	Description	Cost
			0
		Subtotal F:	0

Delivery Date:	90-120 days to body co.	G. Total Purchase Price (D+E+F):	0

RECEIVED JUL 1 5 2002

YOUR COPY

RECEIVED

INTERLOCAL PARTICIPATION AGREEMENT
for the
Texas Local Government Purchasing Cooperative

This Interlocal Participation Agreement ("Agreement") is made and entered into by and between the Texas Local Government Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments, acting on its own behalf and the behalf of all participating local governments, and the undersigned local government of the State of Texas ("Cooperative Member"). The purpose of this Agreement is to facilitate compliance with state bidding requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Cooperative Members.

WITNESSETH:

WHEREAS, the Cooperative Members are authorized by Chapter 791, et seq., The Interlocal Cooperation Act of the Government Code ("the Act"), to agree with other local governments to form purchasing cooperatives; and

WHEREAS, the Cooperative is an administrative agency of local governments cooperating in the discharge of their governmental functions; and

WHEREAS, the Cooperative Member does hereby adopt the Organizational Interlocal Agreement, together with such amendments as may be made in the future, reflecting the evolving mission of the Cooperative and further agrees to become an additional party to that certain Organizational Interlocal Agreement promulgated on the 26th day of January, 1998.

NOW, THEREFORE, BE IT RESOLVED that the undersigned Cooperative Member in consideration of the agreement of the Cooperative and the Cooperative Members to provide services as detailed herein does agree to the following terms, conditions, and general provisions.

In return for the payment of the contributions and subject to all terms of this Agreement, the parties agree as follows:

TERMS AND CONDITIONS

1. **Adopt Organizational Interlocal Cooperation Agreement.** The Cooperative Member by the adoption and execution of this Agreement hereby adopts and approves the Organizational Interlocal Agreement dated January 26, 1998, together with such amendments as may be made in the future and further agrees to become a Cooperative Member.
2. **Term.** The initial term of this Agreement shall commence at 12:01 a.m. on the date executed and signed and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. The terms, conditions, and general provisions set forth below shall apply to the initial term and all renewals.
3. **Termination.**
    a. By the Cooperative Member. This Agreement may be terminated by the Cooperative Member at any time by thirty (30) days prior written notice to the Cooperative; provided all charges owed to the Cooperative and any vendor have been fully paid.
    b. By the Cooperative. The Cooperative may terminate this Agreement by:
        1. Giving ten (10) days notice by certified mail to the Cooperative Member if the Cooperative Member fails or refuses to make the payments or contributions as herein provided; or
        2. Giving thirty (30) days notice by certified mail to the Cooperative Member.

c. Termination Procedure. If the Cooperative Member terminates its participation during the term of this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member under any provision of this Article, the Cooperative Member shall bear the full financial responsibility for any purchases occurring after the termination date, and for any unpaid charges accrued during its term of membership in the Cooperative. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. The Cooperative Member will not be entitled to a refund of membership dues paid.

4. **Payments.**
   a. The Cooperative Member agrees to pay membership fees based on a plan developed by the Cooperative. Membership fees are payable by Cooperative Member upon receipt of an invoice from the Cooperative, Cooperative Contractor or vendor. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Section 2251.021, et seq., Texas Government Code, shall begin to accrue daily on the 31st day following the due date and continue to accrue until the contribution and late charges are paid in full. The Cooperative reserves the right to collect all funds that are due to the Cooperative in the event of termination by Cooperative Member or breach of this Agreement by Cooperative Member.
   b. The Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the Invitation to Bid and related procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring party shall be the exclusive obligation of the procuring Cooperative Member.
5. **Cooperative Reporting.** The Cooperative will provide periodic activity reports to the Cooperative Member. These reports may be modified from time to time as deemed appropriate by the Cooperative.
6. **Administration.** Cooperative Member will use the BuyBoard purchasing application in accordance with instruction from the Cooperative; discontinue use upon termination of participation; maintain confidentiality and prevent unauthorized use; maintain equipment, software and testing to operate the system at its own expense; report all purchase orders generated to Cooperative or its designee in accordance with instructions of the Cooperative; and make a final accounting to Cooperative upon termination of membership.
7. **Amendments.** The Board may amend this agreement, provided that notice is sent to each participant at least 60 days prior to the effective date of any change described in such amendment which, in the opinion of the Board, will have a material effect on the Cooperative Members participation in the Cooperative.

GENERAL PROVISIONS

1. **Authorization to Participate.** Each Cooperative Member represents and warrants that its governing body has duly authorized its participation in the Cooperative.
2. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all reasonable policies and procedures established by the Cooperative.
3. **Compensation.** The parties agree that the payments under this Agreement and all related exhibits and documents are amounts that fairly compensate the Cooperative for the services or functions performed under the Agreement, and that the portion of gross sales paid by participating vendors enables the Cooperative to pay the necessary licensing fees, marketing costs, and related expenses required to operate a statewide system of electronic commerce for the local governments of Texas.
4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to audit the relevant records of any Cooperative Member. Any breach of this Article shall be considered material and shall make the Agreement subject to termination on ten (10) days written notice to the Cooperative Member.

5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.
6. **Current Revenue.** The Cooperative Member hereby warrants that all payments, contributions, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.
7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to regulate the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative and/or any past or current Cooperative Member in any litigation, claim or dispute, and to engage counsel and appropriate experts, in the Cooperative's sole discretion, with respect to such litigation, claim or disputes. The Cooperative Member does hereby agree that any suit brought against the Cooperative or a Cooperative Member may be defended in the name of the Cooperative or the Member by the counsel selected by the Cooperative, in its sole discretion, or its designee, on behalf of and at the expense of the Cooperative as necessary for the prosecution or defense of any litigation. Full cooperation by the Cooperative Member shall be extended to supply any information needed or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement.
8. **Governance.** The Board of Trustees (Board) will govern the Cooperative in accordance with the Bylaws. Travis County, Texas will be the location for filing any dispute, claim or lawsuit.
9. **Limitations of Liability.** COOPERATIVE, ITS ENDORSERS (TEXAS ASSOCIATION OF SCHOOL BOARDS, TEXAS ASSOCIATION OF COUNTIES, AND TEXAS MUNICIPAL LEAGUE) AND SERVICING CONTRACTOR (TEXAS ASSOCIATION OF SCHOOL BOARDS) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. COOPERATIVE, ITS ENDORSERS AND SERVICING CONTRACTORS, HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT IN REGARD TO ANY AND ALL CAUSES OF ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER UNDER ANY CIRCUMSTANCES FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
10. **Merger.** This Interlocal Participation Agreement, Terms and Conditions, and General Provisions, together with the Bylaws, Organizational Interlocal Agreement, and Exhibits, represents the complete understanding of the Cooperative, and Cooperative Member electing to participate in the Cooperative.
11. **Notice.** Any written notice to the Cooperative shall be made by first class mail, postage prepaid, and delivered to the Associate Executive Director Financial Planning, Texas Association of School Boards, Inc., P.O. Box 400, Austin, Texas 78767-0400.
12. **Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall lie in Travis County, Texas.
13. **Warranty.** By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.

IN WITNESS WHEREOF, the parties, acting through their duly authorized representatives, sign this Agreement as of the date indicated.

TO BE COMPLETED BY THE COOPERATIVE:
TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE, as acting on behalf of all other Cooperative Members

By: _____ **Date:** 7-15-02
Gerald Brashears, Cooperative Administrator

TO BE COMPLETED BY COOPERATIVE MEMBER:

CITY OF SHERMAN, TEXAS

By: _____ **Date:** 5/28/2002
L. SCOTT WALL, CITY MANAGER

Coordinator for the Cooperative Member is:

Name:	MARYANN WINKLER
Address:	405 N. RUSK STREET SHERMAN, TEXAS 75090
Phone:	(903) 892-7285
Fax:	(903) 891-0255
Email:	PURCH@TEXOMA.NET

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Theresa Hutchinson, Parks & Recreation Manager

Approved By: Robby Hefton, City Manager

Caption:

REQUEST TO ADVERTISE

Contracting with a Construction Manager-at-Risk (CMAR) for Construction of the Pecan Grove Athletic Complex

Issue:

Requesting permission to advertise for proposals for the construction of an athletic complex at Pecan Grove West Park by a qualified Construction Manager-at-Risk (CMAR)

Background:

The Sherman Parks and Recreation Department worked with Dunkin, Sims, Stoffels, Inc. to create the 2017 Parks, Recreation, and Open Space Master Plan for the City of Sherman, which was approved and adopted by City Council at the May 4, 2017 meeting. The purpose of this plan was to establish short and long-term priorities for maintenance, operation and future development of Sherman's parks, trails, recreation programs and facilities. Included in this Master Plan is the design and construction of an athletic complex at Pecan Grove West Park.

Based upon recommendations put forth in the Master Plan, City staff recommends the City use the CMAR method as it is often best suited to larger projects that are schedule sensitive. A CMAR assumes the risk of the construction of facilities at a guaranteed maximum price.

Origination:

Parks and Recreation Department

Financial Consideration:

The costs for advertising will be about $400.00.

Funding for this project will come from the proceeds of Certificates of Deposit budgeted to be issued in fiscal year 2018 in the Capital Improvement Program Fund. Estimated project costs are $4.5 million.

Staff Recommendation:

It is recommended that the City Council approve the request to advertise.

Alternatives:

As may be directed by the City Council

Attachments

Aerial Location Map

Pecan Grove Park
Pecan Grove Athletic Complex

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

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, 2017 from Adami, Lindsey and Company, L.L.P.

Issue:

To receive a presentation from Adami, Lindsey and Company, L.L.P. of Sherman, Texas, and accept the audit report for the year ended September 30, 2017

Background:

On March 1, 2018, the Audit Committee, City Manager and Director of Finance met with the City's external auditors to discuss the results of the independent audit for the year ended September 30, 2017. The auditors gave a "clean" 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, 2017 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 Audit Committee recommended the report be presented to the Council at the March 19, 2018 meeting.

Origination:

City Manager Robby Hefton

Financial Consideration:

None

Staff Recommendation:

The staff recommends that the Council accept the audit report as recommended by the Audit Committee.

Alternatives:

None recommended

Attachments

Sherman Comprehensive Annual Financial Report for YE September 30, 2017

City of Sherman, Texas

Comprehensive Annual Financial Report

Year Ended September 30, 2017

Prepared by:
Department of Finance
Mary Lawrence, Finance Director
Tammy Davis, Controller

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CITY OF SHERMAN, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2017

Prepared by:

Department of Finance

Mary Lawrence, Finance Director
Tammy Davis, Controller

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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
DARON HOLLAND
JASON SOFEY
WILLIE STEELE
JOSH STEVENSON
SHAWN TEAMANN

CITY MANAGER
ROBBY HEFTON

March 1, 2018

The Honorable David Plyler, Mayor
Members of the City Council, and
Citizens of the City of Sherman, Texas

The Comprehensive Annual Financial Report of the City of Sherman for the fiscal year ended September 30, 2017, is hereby submitted as mandated by the City Charter. This report consists of management's representation concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report, based upon a comprehensive framework of internal control that it has established for this purpose. 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.

Adami, Lindsey & Company, L.L.P. Certified Public Accountants, have issued an unqualified opinion on the City's financial statements for the fiscal year ended September 30, 2017. An unqualified 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 44.0 square miles. The additional municipal extraterritorial jurisdiction included for the purpose of planning and control, covers approximately 65.4 square miles. Sherman is the county seat of Grayson County. The 2010 Census was 38,521 persons, a 10% increase over 2000. 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. 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, 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. The four remaining council seats represent specific districts and candidates must reside in those districts. However, voting for all council seats is at-large. All city officials are elected to staggered three year terms, and are eligible to serve for only two consecutive terms in the same office. 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.

Economic development is promoted by the Sherman Economic Development Corporation (SEDCO), a non-profit corporation created to administer 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. Because of this, City management has included SEDCO in its financial reports as a discretely presented component unit.

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 6 months before year end. A proposed budget is developed by staff and submitted to the City Council in June for review. The City Council is required to a hold public hearing and to adopt a final budget no later than September 25th. Transfer of appropriations may be made by the City Manager within a fund. Transfers between funds or additional appropriations must be approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

LOCAL ECONOMY

The City's major thoroughfares, U.S. Highways 75 and 82 intersect in the City and allow access to major metropolitan areas in the Southwest. Major freight terminals and Greyhound Lines, Inc. both operate in the area. 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, railroad components, insulation materials, precision valves, electricity, and many other products.

Sherman has 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. The City also grew through annexation of about $17 million of property value in fiscal year 2017.

Sherman also has several new areas of economic growth. The Sherman Economic Development Corporation (SEDCO) has been successful in attracting new employers to the area and aiding in the expansion of existing employers. With annual funding of approximately $3.7 million, SEDCO's projects added about $55.0 million in capital investment with 167 new jobs in fiscal year 2017. In October 2017, Finisar, a global optical communications company purchased a vacant manufacturing plant in Sherman. In December 2017, Apple, Inc. announced an award of $390 million to Finisar to increase high-volume production of vertical-cavity surface-emitting lasers (VCSELs) in the Sherman location. Apple's award to Finisar will create more than 500 highly-skilled jobs at the Sherman facility.

Unemployment in Sherman averaged 3.8% for fiscal year 2017, which is lower than the average unemployment rate for the State of Texas (4.7%) and the national average unemployment rate (4.5%) for the same time period. The largest industry, by wage, in the Sherman-Denison Metropolitan Statistical Area (MSA) is education and health services followed by trade, transportation and utilities, government, manufacturing, leisure and hospitality, and others.

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 AA- 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 and Grayson College. Nearby Lake Texoma is also a recreational draw to the area. Downtown has seen a resurgence with new businesses opening including restaurants, pet services, salon services, and retail stores. A new medical, retail and entertainment complex is scheduled for completion in fiscal year 2018 at the City's south gateway. Plans continue moving forward at the City's north gateway for a bank and major convenience/gasoline retailer, and ground was broken for a new hotel at the City's main retail area, Town Center.

Looking forward, the City anticipates a growing tax base with new industries, businesses, and people finding Sherman an attractive place to work and live.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the General, Water and Sewer, and Solid Waste Funds were over the minimum internal benchmark of 60 days. The City is focused on managing its growth with funding for staffing and multi-year capital projects. The City broke ground in fiscal year 2017 on the water treatment plant expansion, doubling current capacity to attract primarily employers and ensure adequate water to Sherman residents and businesses for the foreseeable future. The City issued $18 million in certificates of obligation for public facilities, and thoroughfares and infrastructure projects for new commercial and residential development. Four new positions were added for fiscal year 2018 to address street improvements and fleet services. Despite unique circumstances or challenges, each year the City has maintained adequate reserves and implemented a balanced budget on an ongoing basis.

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. Only the first year of the five-year program is funded. The fiscal year 2018 budget includes $21 million in the General Improvements Fund for new and continuing projects including relocation of a fire station, new streets, a major renovation of the library, police department renovations, development of park land for ball fields, implementation of a parks master plan, and infrastructure for commercial development. The Utility Improvement Fund includes water tower painting and repair and other utility projects. Major utility improvements are funded through debt issued by the Greater Texoma Utility Authority on behalf, and paid by the City through contractual debt payments. Fleet purchases are budgeted separately in the Fleet Replacement Fund in the amount of $4.1 million.

The City's health plan is self-funded. Beginning about September of 2015, claims increased to an unusually high level. When it became clear that claims would not return to an affordable, long-term level, the City implemented a major overhaul of the health plan. The new plan was put in place on January 1, 2017 and has provided a more reasonable and affordable claims experience. The City will continue to monitor claims and address issues as dictated by the market and plan experience.

RELEVANT FINANCIAL POLICIES

The City's financial policy authorizes only the City Council, by resolution, to increase appropriations. One amendment was approved by the City Council to increase total expenditures by $2.6 million, and to increase total revenue by $7.1 million.

The City's financial policy also states that sources of revenue that are non-recurring will not be used to support recurring expenditures. No significant non-recurring revenues were used to support recurring expenditures.

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, 2016. This was the thirty-first 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 program requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current 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 OFFICIALS AS OF SEPTEMBER 30, 2017

Elected Officials

Mayor	David Plyler
Deputy Mayor	Jason Sofey
Councilmember, At-Large, Place #1	Willie Steele
Councilmember, District #1	Shawn C. Teamann
Councilmember, District #2	Terrence R. Steele
Councilmember, District #3	Pamela L. Howeth
Councilmember. District #4	Charles H. Brown, Sr.

Appointed Officials

City Manager	Robby Hefton
City Attorney	Brandon Shelby

Department Directors

Assistant City Manager	Steve Ayers
Fire Chief	Danny Jones
Director of Utilities	Mark Gibson
Director of Developmental Services	Scott Shadden
Director of Engineering	Clint A. Philpott, P.E.
Police Chief	Zachary Flores

CITY OF SHERMAN
ORGANIZATIONAL CHART

The following page contains the fiscal year 2017 organizational chart for the City of Sherman. Department directors' responsibilities are as follows:

Management Services – The City Manager coordinates the day-to-day operations of the City in addition to performing his duties to the Mayor, Council, and citizens.

City Attorney - Provides professional services to the City Council, City Manager, staff, and boards and commissions on legal matters. The City Attorney serves as the prosecutor in the City's Municipal Court.

Finance – Is responsible for financial activities of the City, including utility billing, information technology, the Municipal Court and administration of the Community Development Block Grant.

Utilities – Is responsible for services relating to water and sewer operations, and related infrastructure planning and development.

Development Services – Is responsible for planning and zoning, the enforcement of the City's building codes and substandard structures.

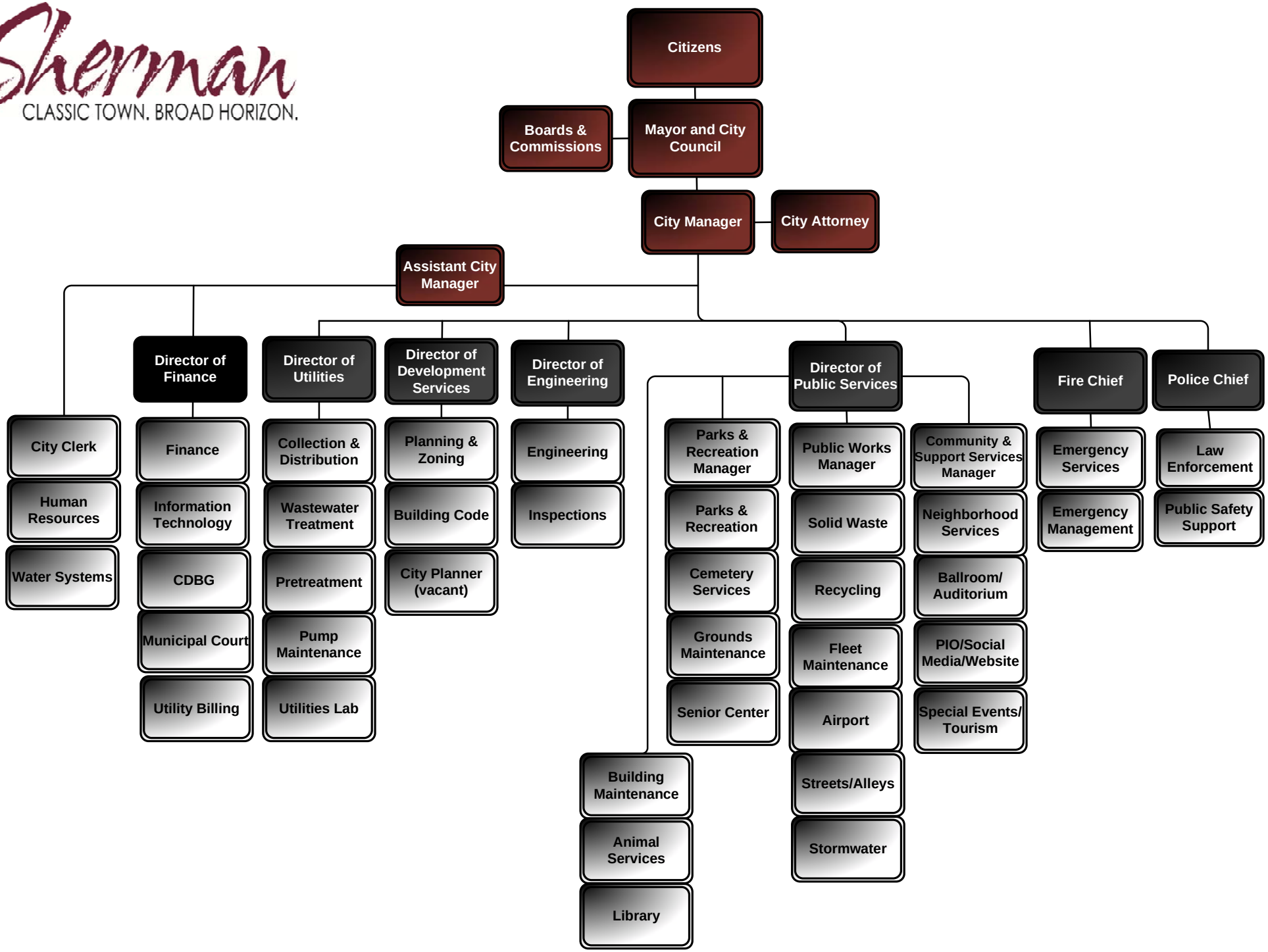
Engineering - Is responsible for engineering of city projects, including planning and inspections.

Public Services – Is responsible for parks and recreation, cemetery services, grounds maintenance, building maintenance, animal services, communications, tourism, ballroom/auditorium operations, library services, the senior citizen center, and public works such as solid waste and streets.

Fire Services - Is responsible for fire inspection, suppression, prevention and education, emergency management and ambulance services.

Law Enforcement - Is responsible for police protection and crime prevention.

Sherman
CLASSIC TOWN. BROAD HORIZON.



Santa Fe
Amarillo
Tulsa
Oklahoma City
OKLAHOMA
NEW MEXICO
LLANO ESTACADO (STAKED PLAIN)
Lubbock
SHERMAN
Dallas
Fort Worth
Ciudad Juárez
Paso
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 Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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ADAMI, LINDSEY & COMPANY, L.L.P.
Certified Public Accountants

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DAROLD P. ADAMI
JAMES A. LINDSEY
DAROLD P. ADAMI, JR.
BELINDA J. WATSON
TIMOTHY D. TARABA

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of 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 (the City) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's 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.

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, 2017, 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; Texas Municipal Retirement System – Schedule of Changes in Net Pension Liability and Related Ratios, and Schedule of Contributions; and the Post-Retirement Health Care Benefit Plan – Schedule of Funding Progress, and Schedule of Contributions on pages 4 through 15 and 67 through 71, 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's 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 financial statements.

These 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 taken as a whole.

The introductory and statistical sections 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 1, 2018, on our consideration of the City's 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 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 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's internal control over financial reporting and compliance.

Adami, Lindsey & Company, L.L.P.

March 1, 2018
Sherman, Texas

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City of Sherman, Texas
Management's Discussion and Analysis

As management of the City of Sherman, Texas (the "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, 2017. 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 $74.4 million (net position). Of this amount, $1.3 million represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position decreased $6.4 million or 7.9% from last fiscal year's net position; this increase was primarily due to $2.0 million in planned non-recurring items paid from reserves, an increase in the City's net pension obligation and related deferred inflows and outflows ($2.7 million), an increase of $0.6 million in net other post-employment benefit obligations, and a decrease in net investment in capital assets of $0.8 million. Increases in long-term liabilities which had not been expended for capital assets were maintained as current assets.

- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balance of $34.8 million; this represents an increase of $11.6 million in comparison with the prior year. Approximately 26.8% of this total amount, $9.3 million, is available for spending at the government's discretion (unassigned fund balance).

- As of the end of the current fiscal year, the City's proprietary funds, excluding internal service funds, reported combined ending net position of $33.1 million. Approximately 15.0% of this total amount, $4.96 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) the 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 16 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 two (2) major and twenty-one (21) nonmajor governmental funds. Information for the major funds is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the General Improvement Fund, which are considered to be major funds. 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 in the combining and individual funds statements and schedules section 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 20 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 in the combining and individual funds statements and schedules section 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 69 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 82 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 exceeded liabilities by $74.4 million at the close of the most recent fiscal year.

By far, the largest portion of the City's net position (94.6%) reflects its investment in capital assets (e.g., land, buildings, 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.

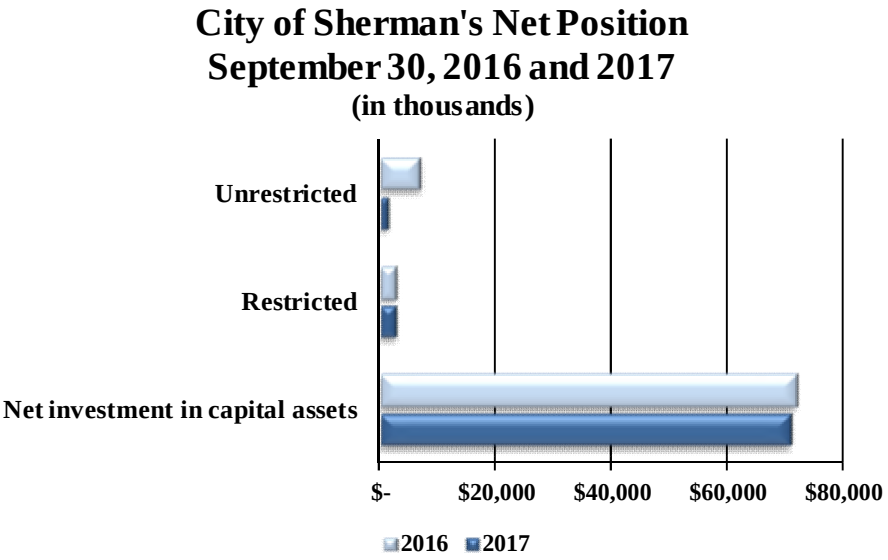
The City's current net position, along with last fiscal year's numbers, is presented for comparison in the table on the following page.

CITY OF SHERMAN'S NET POSITION
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2017	**2016**	**2017**	**2017**	**2017**	**2016**
Current and other assets	$ 36,919	$ 25,780	$ 9,644	$ 10,740	$ 46,563	$ 36,520
Capital assets	60,364	55,288	31,403	32,574	91,767	87,862
Total assets	**97,283**	**81,068**	**41,047**	**43,314**	**138,330**	**124,382**
Deferred outflows of resources	**7,500**	**8,664**	**2,002**	**2,411**	**9,502**	**11,075**
Long-term liabilities	57,135	38,065	7,849	7,789	64,984	45,854
Other liabilities	5,884	5,560	2,000	2,422	7,884	7,982
Total liabilities	**63,019**	**43,625**	**9,849**	**10,211**	**72,868**	**53,836**
Deferred inflow of resources	**467**	**666**	**186**	**186**	**653**	**852**
Net investment in capital assets	42,277	42,119	28,114	29,071	70,391	71,190
Restricted	2,703	2,676	-	-	2,703	2,676
Unrestricted	(3,683)	646	4,959	6,257	1,276	6,903
Total net position	**$ 41,297**	**$ 45,441**	**$ 33,073**	**$ 35,328**	**$ 74,370**	**$ 80,769**

A portion of the City's net position, $2.7 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($1.3 million, or 1.7 %) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, all categories of net position were positive except for Unrestricted Net Position in Governmental Activities. Net Position decreased due to $1.2 million in non-recurring expenditures paid from reserves, $1.7 million increase in the net pension obligation, and $0.4 million increase in the other post-employment benefits obligation. About $1.0 million of the negative net position was due to the deficit in the Insurance Fund.



The overall net position of the City of Sherman decreased by $6.4 million, or 7.92% from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

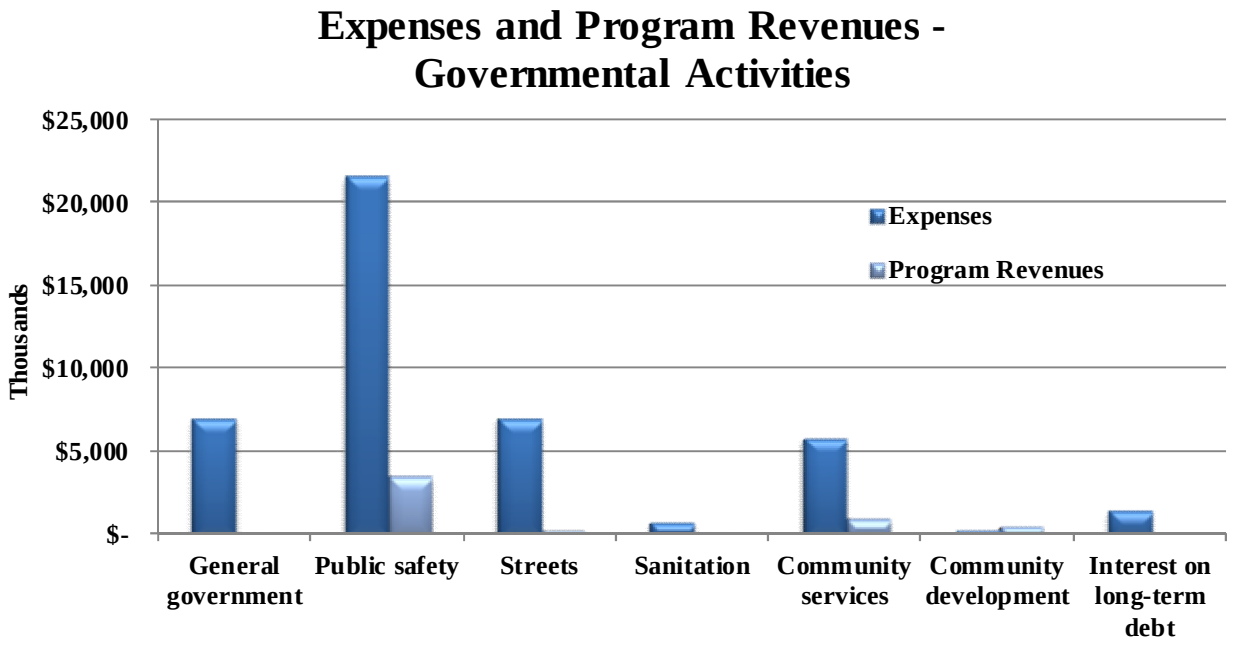
The City's condensed changes in net position, along with last fiscal year's numbers, are presented for comparison in the table below.

CITY OF SHERMAN'S CHANGES IN NET POSITION
(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2017	**2016**	**2017**	**2017**	**2017**	**2016**
Revenues						
Program revenues:						
Charges for services	$ 4,669	$ 3,692	$ 27,024	$ 26,892	$ 31,693	$ 30,584
Operating grants and contributions	402	183	-	-	402	183
Capital grants and contributions	407	546	389	289	796	835
General Revenues						
Property taxes	10,808	9,341	-	-	10,808	9,341
Sales taxes	15,563	15,636	-	-	15,563	15,636
Other taxes	3,490	3,425	-	-	3,490	3,425
Other	621	385	855	469	1,476	854
Total revenues	**35,960**	**33,208**	**28,268**	**27,650**	**64,228**	**60,858**
Expenses						
General government	7,061	9,178	-	-	7,061	9,178
Public safety	21,582	19,655	-	-	21,582	19,655
Streets	7,053	6,481	-	-	7,053	6,481
Sanitation	778	748	-	-	778	748
Community services	5,874	5,760	-	-	5,874	5,760
Community development	321	339	-	-	321	339
Interest on long-term debt	1,491	665	-	-	1,491	665
Water and sewer service	-	-	21,591	20,569	21,591	20,569
Solid waste service	-	-	4,876	4,692	4,876	4,692
Total expenses	**44,160**	**42,826**	**26,467**	**25,261**	**70,627**	**68,087**
Increases (decreases) in net position before transfers	(8,200)	(9,618)	1,801	2,389	(6,399)	(7,229)
Transfers	4,056	4,409	(4,056)	(4,409)	-	-
Change in net position	**(4,144)**	**(5,209)**	**(2,255)**	**(2,020)**	**(6,399)**	**(7,229)**
Net position, beginning	45,441	50,650	35,328	37,348	80,769	87,998
Net position, ending	**$ 41,297**	**$ 45,441**	**$ 33,073**	**$ 35,328**	**$ 74,370**	**$ 80,769**

Governmental Activities

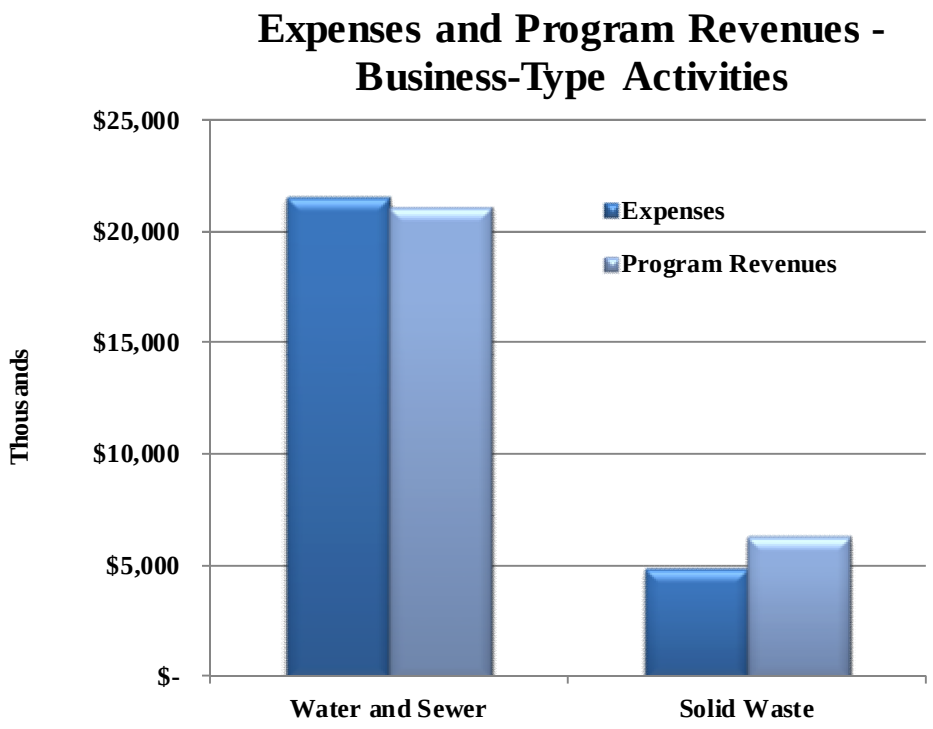
Governmental activities decreased the City's net position by $4.1 million, due primarily to $1.2 million in planned non-recurring items paid from reserves, a decrease in net investment in capital assets of $0.2 million from depreciation, changes in compensated absences of $0.3 million, a $1.7 million increase in the net pension obligation and its related deferred inflows and outflows, and a $0.4 million increase in net other post-employment benefit obligations. Even though the City contributes 100 percent of its actuarially determined rate, net pension obligation increased due to the adoption of more conservative assumptions. Increases in long-term liabilities which had not been expended for capital assets were maintained as current assets, primarily investments. The City's governmental activities expenses and program revenues are presented below.



Business-type activities

The results for the current fiscal year of the City's business-type activities decreased the City's net position by $2.3 million. The decrease was due primarily to $0.8 million in planned non-recurring items paid from reserves, a decrease in net investment in capital assets of $1.0 million from depreciation, and a $0.5 million increase in the net pension obligation and its related deferred inflows and outflows. Even though the City contributes 100 percent of its actuarially determined rate, net pension obligation increased due to the adoption of more conservative assumptions

The City's business-type activities expenses and program revenues are presented on the following page.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

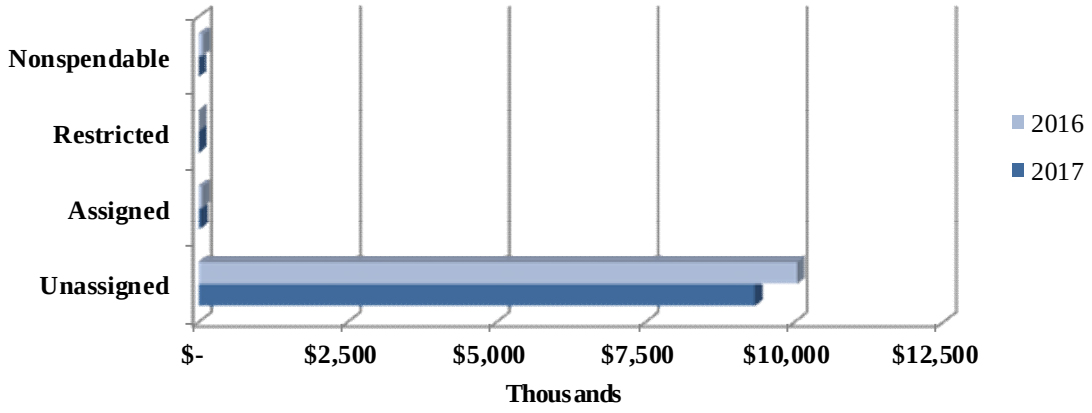
As noted earlier, the City of Sherman uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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.

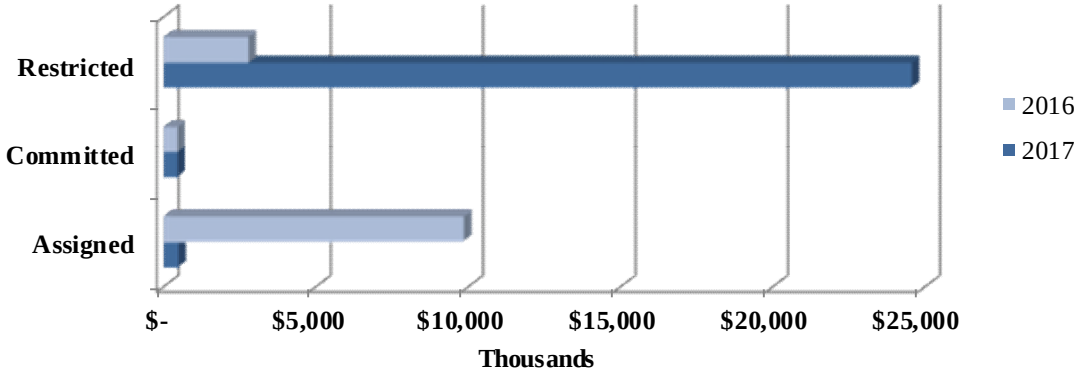
At September 30, 2017, the City's governmental funds reported combined fund balances of $34.8 million, which is $11.6 million above the prior year due to unspent bond proceeds. Approximately 26% of this amount, or $9.2 million, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in nonspendable form ($0.1 million), 2) committed for particular purposes ($0.4 million), 3) restricted for particular purposes ($24.6 million), or 4) assigned for particular purposes ($0.5 million).

General Fund
Components of Fund Balance
September 30, 2016 and 2017



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 $9.3 million, while total fund balance decreased by $0.8 million to $9.4 million, primarily due to $1.2 of planned non-recurring items paid from reserves. Unassigned fund balance represents approximately 27% of total general fund expenditures, which is about the same percentage as total fund balance to expenditures.

Other Governmental Funds
Components of Fund Balance
September 30, 2016 and 2017



The General Improvement Fund, a major fund, increased $5.1 million during the fiscal year, ending the year at a fund balance of $15.0 million. The increase was due primarily to the issuance of $11.2 million in debt.

The remaining governmental funds ended the year with a fund balance of $10.5 million, an increase of $7.3 million from the prior year primarily due to the issuance of $7.0 million in debt for Tax Increment Reinvestment Zones #5 and #6.

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 $4.0 million and had decreased by $1.1 million or 20.9%. These changes were primarily related to depreciation expense of $2.2 million. Assets of $0.9 million were also capitalized.

Unrestricted net position of the Solid Waste Fund decreased by $0.2 million, or 20.2%, due primarily due to depreciation expense of $0.2 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget

The original budget was amended by the City Council during fiscal year 2017 to increase total expenditures by $2.6 million and increase receipts of $7.1 million from debt proceeds and the transfer of a merged fund. Specific items in the amendment included: $200,000 in the General Fund for a land purchase on Hwy 1417 for the construction of public improvements; provisions for Tax Increment Reinvestment Zone #5 debt proceeds of about $3,900,000 and costs for infrastructure and debt issuance of $230,000; provisions for Tax Increment Reinvestment Zone #6 debt proceeds of about $3,100,000 and costs for infrastructure and debt issuance of $50,000; 2017 Refunding Bonds for property tax revenues and interest expense of $47,000; Hotel - Motel Tax Fund grants awarded and tourism program expenditures for $115,000; Equipment Services Fund interfund revenue and repair and maintenance expense for $100,000 each; Fleet Replacement for a partial grant-funded ambulance and for a fire truck and a rescue truck that are approved in the fiscal year 2018 budget but will be ordered in fiscal year 2017 to take advantage of favorable delivery terms (these three items total $1,600,000); and Water Consumer Deposits Fund merger with the Utility Fund for $250,000. Several insignificant adjustments between accounts within their respective departments were also made.

Final budget compared to actual results

The most significant difference between budgeted and actual items was as follows:

Budgeted Item	Final Budgeted Amount	Actual (Budget Basis)	Difference
Ambulance service revenue	$ 1,250,000	$ 1,684,207	$ 434,207
General Fund capital outlay	200,000	665,402	465,402

Additional ambulance service revenue of $447,000 was provided through the Texas Ambulance Supplemental Payment Program to supplement transport costs for Medicaid and uninsured patients.

The General Fund capital outlay related to the purchase of land on Highway 1417 for the construction of public improvements.

A review of actual expenditures compared to the appropriations in the final budget yields no significant variances.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2017, amounts to $91.8 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 increased in the current fiscal year by $3.9 million or approximately 4.4% due to street improvement construction projects.

Major capital asset events during fiscal year 2017 included the following:

- Construction projects in progress at the end of fiscal year included street improvements and city building remodel projects for space optimization and modernization in governmental activities. Water and sewer line expansion, water treatment plant expansion and basin cleaning, pump and lift stations rehabilitation, and water storage tank painting and repairs were significant ongoing projects in business-type activities.

- Various machinery and equipment were acquired totaling approximately $3.1 million. Governmental activities included purchasing four police patrol vehicles and two police administrative vehicles, two ambulances, an administrative vehicle for the fire department use, one pick-up truck for the street department, a pick-up truck for animal services, and a utility trailer, a pick-up truck for fleet services, and two pick-up trucks for grounds maintenance crews. Business-type activities included purchasing a transfer trailer for recycling, one side-load trash truck and one front-load trash truck, five pick-up trucks for utility services, a skid steer and a utility trailer for the water treatment department, a flatbed dump truck for the water distribution department and a utility vehicle for the wastewater treatment department.

- Depreciation totaled $6.4 million for governmental activities and $2.4 million for business-type activities.

CITY OF SHERMAN'S CAPITAL ASSETS, NET OF DEPRECIATION

(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Land	$ 3,384	$ 2,719	$ 367	$ 367	$ 3,751	$ 3,086
Buildings	2,631	2,621	1,364	1,438	3,995	4,059
Other improvements	35,165	39,221	19,857	21,067	55,022	60,288
Machinery and equipment	9,502	8,823	1,789	1,796	11,291	10,619
Other assets	501	588	6,423	6,402	6,924	6,990
Construction in progress	9,181	1,316	1,603	1,504	10,784	2,820
Total Assets	**$ 60,364**	**$ 55,288**	**$ 31,403**	**$ 32,574**	**$ 91,767**	**$ 87,862**

Additional information on the City's capital assets can be found in the notes on pages 44 through 47 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had total contractually obligated long-term debt of $43.0 million. The City advance refunded certificates of obligation from the 2008, 2009 and 2009A series and the 2006 GO Refunding Bonds series with the issuance of $9.36 million in general obligation refunding bonds in fiscal year 2017. These governmental bonds are to be repaid through property taxes and a portion of revenue received from hotel/motel taxes. The City also issued $18.1 million of governmental certificates of obligation to fund capital projects in the City, including projects in Tax Increment Reinvestment Zones #5 and #6 and, are to be repaid from general tax revenues of the General Fund and from property taxes associated with commercial and retail development in the Tax Increment Reinvestment Zones. Property taxes and a limited pledge of the net revenues of the water and sewer system secure the certificates of obligation even though repayment is expected to be made solely from general tax revenues. The tax notes will be repaid from a portion of the street sales tax.

CITY OF SHERMAN'S OUTSTANDING DEBT

(in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2017	**2016**	**2017**	**2017**	**2017**	**2016**
Bonds	$ 10,069	$ 1,210	$ -	$ -	$ 10,069	$ 1,210
Capital leases	-	162	641	757	641	919
Certificates of obligation, net of premium	28,291	18,499	-	-	28,291	18,499
Tax notes	1,395	1,830	-	-	1,395	1,830
Other long-term payables	-	-	2,647	2,747	2,647	2,747
Total Debt	**$ 39,755**	**$ 21,701**	**$ 3,288**	**$ 3,504**	**$ 43,043**	**$ 25,205**

Long-term debt for the City increased by $17.8 million or 71%, due to issuance of $18.1 million in certificates of obligation (plus $0.9 million premium), $9.36 million in government bonds (plus $0.7 million premium), offset by refunded certificates of obligation of $8.5 million and refunded government bonds of $1.2 million, with principal payments on outstanding debt of $0.8 million.

The City of Sherman maintains an “AA” rating from Standard & Poor’s for general obligation debt and a rating of “AA-” for its debt issued under the Greater Texoma Utility Authority.

As a part of the budget process, City staff compares the debt limit allowed under the city charter to debt outstanding. At the beginning of the 2017 fiscal year, the City had 31% of allowable bonded debt outstanding, and 49% of allowable certificates of obligation outstanding.

Additional information on the City’s long-term debt can be found in the notes on pages 47 through 52 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The following economic factors currently affect the City and were considered in developing the 2017-2018 fiscal year budget.

- General Fund revenues are expected to be more than fiscal year 2017. New value added to the tax roll, an increase in the tax rate, and an increase in the value of existing property are expected to generate an additional $1.3 million. Sales tax is expected to increase about 2% over the fiscal year 2017.

- Utility Fund revenues are expected to increase. A 3.0% increase in water and sewer rates and a slight increase in total volume is expected to generate about $900,000 additional revenue over fiscal year 2017.

- Utility Fund expenses are budgeted to decrease compared to actual fiscal year 2017 expenses due to capital expenses.

- Solid Waste Fund revenue is budgeted to increase slightly due to a growth in the residential accounts.

- To address compensation, a 2.0% across-the-board pay increase for all employees, with 4% to 5% increases for public safety employees to keep their compensation in line with peer cities.

- The General Fund is balanced ongoing for fiscal year 2018 due to an increase in sales and property tax revenue. Additional street sales tax is allocated to the General Fund along with a slight increase is projected. The property tax rate increase funds debt service on the 2017 Certificates of Obligation. The operating budget was reduced to the baseline amount which is the average of the last three years of actual expenditures.

- The Utility Fund is balanced ongoing for fiscal year 2018 due to an increase in rates to help compensate for a decrease in consumption due to two years of mild weather. No capital expenditures are planned.

- The Solid Waste Fund is balanced for fiscal year 2018. An additional purchase of a trailer has made the fund unbalanced for the year along with a decrease in commercial solid waste revenue. However, we expect revenue and yearly fleet requirements to stabilize going forward.

- The budget of the General Improvement Fund includes funding for the continuation of Travis Street West construction, Pecan Grove Ball Fields, the library remodel, building repairs, and the relocation of Fire Station #4.

- The Utility Improvement Fund budget includes funding for a new sewer lift station near the intersection of Highway 82 and Highway 289, painting and repair of the Gallagher elevated water storage tank, and major upgrades at the wastewater treatment plant.

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.

BASIC FINANCIAL STATEMENTS

CITY OF SHERMAN, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Current assets:				
Cash	$ 18,973,150	$ 489,352	$ 19,462,502	$ 6,536,014
Pooled and temporary investments	13,442,853	4,652,343	18,095,196	2,262,327
Receivables, net	4,440,279	4,118,404	8,558,683	627,079
Inventories, at cost	39,675	374,197	413,872	-
Prepayments and deposits	23,784	10,158	33,942	21,875
Total current assets	36,919,741	9,644,454	46,564,195	9,447,295
Noncurrent assets:				
Capital assets:				
Non-depreciable assets	12,565,461	8,370,373	20,935,834	5,984,984
Other capital assets, net	47,798,435	23,032,416	70,830,851	12,059
Total noncurrent assets	60,363,896	31,402,789	91,766,685	5,997,043
Total assets	97,283,637	41,047,243	138,330,880	15,444,338
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on bond refunding	231,862	-	231,862	-
Pension plan - TMRS	7,267,979	2,002,173	9,270,152	-
Total deferred outflows of resources	7,499,841	2,002,173	9,502,014	-
LIABILITIES				
Current liabilities:				
Accounts payable	1,436,326	826,103	2,262,429	62,379
Accrued expenses payable	1,051,423	218,555	1,269,978	-
Unearned revenue	15,687	-	15,687	-
Landfill closure costs	-	39,468	39,468	-
Customers' deposits payable	223,343	369,216	592,559	-
Current portion of bonds, capital leases, certificates of obligation, tax notes and other long-term payables	3,157,385	546,875	3,704,260	-
Total current liabilities	5,884,164	2,000,217	7,884,381	62,379

(continued)

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
STATEMENT OF NET POSITION (Continued)
SEPTEMBER 30, 2017

	Governmental Activities	Business-type Activities	Total	Component Unit
LIABILITIES (Continued)				
Long-term liabilities:				
Accrued compensated absences	$ 2,030,970	$ -	$ 2,030,970	$ -
Capital lease obligations payable	-	523,777	523,777	-
General obligation bonds	9,968,869	-	9,968,869	-
Certificates of obligation	27,171,288	-	27,171,288	-
Tax notes	935,000	-	935,000	-
Net pension liability	15,903,211	4,448,165	20,351,376	-
Net OPEB obligation	1,125,796	332,461	1,458,257	-
Other long-term payables	-	2,544,212	2,544,212	-
Total long-term liabilities	57,135,134	7,848,615	64,983,749	-
Total liabilities	63,019,298	9,848,832	72,868,130	62,379
DEFERRED INFLOWS OF RESOURCES				
Pension plan - TMRS	467,282	127,742	595,024	-
NET POSITION				
Net investment in capital assets	42,277,225	28,114,013	70,391,238	5,997,043
Restricted for:				
General obligation debt service	141,449	-	141,449	-
Cemetery maintenance (nonexpendable)	1,583,320	-	1,583,320	-
Café plan	11,429	-	11,429	-
Infrastructure and facilities improvements	285,875	-	285,875	-
Law enforcement support	408,595	-	408,595	-
Airport and tourism	272,242	-	272,242	-
Economic development	-	-	-	9,384,916
Unrestricted	(3,683,237)	4,958,829	1,275,592	-
Total net position	$ 41,296,898	$ 33,072,842	$ 74,369,740	$ 15,381,959

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 7,060,950	$ 78,224	$ -	$ -
Public safety	21,582,206	3,383,218	55,876	54,732
Streets	7,053,679	136,700	19,630	126,048
Sanitation	777,803	105,684	-	-
Community services	5,874,051	964,918	-	-
Community development	320,857	-	326,425	225,751
Interest on long-term debt	1,490,839	-	-	-
Total governmental activities	44,160,385	4,668,744	401,931	406,531
Business-type activities:				
Water and sewer service	21,591,119	20,759,949	-	389,109
Solid waste service	4,875,928	6,264,247	-	-
Total business-type activities	26,467,047	27,024,196	-	389,109
Total primary government	$ 70,627,432	$ 31,692,940	$ 401,931	$ 795,640
Component unit:				
Economic development	$ 982,713	$ -	$ -	$ -
Administration	1,366,094	-	-	-
Total component unit	$ 2,348,807	$ -	$ -	$ -

General revenues:
- Taxes
  - General property
  - City sales
  - Franchise
  - Nonproperty
- Investment income
- Miscellaneous
- Gain / (loss) on sale of assets

Transfers - internal activity

Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

(continued)

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Change in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
$(6,982,726)	$ -	$(6,982,726)	$ -
(18,088,380)	-	(18,088,380)	-
(6,771,301)	-	(6,771,301)	-
(672,119)	-	(672,119)	-
(4,909,133)	-	(4,909,133)	-
231,319	-	231,319	-
(1,490,839)	-	(1,490,839)	-
(38,683,179)	-	(38,683,179)	-
-	(442,061)	(442,061)	-
-	1,388,319	1,388,319	-
-	946,258	946,258	-
(38,683,179)	946,258	(37,736,921)	-
-	-	-	(982,713)
-	-	-	(1,366,094)
-	-	-	(2,348,807)
10,808,380	-	10,808,380	-
15,562,801	-	15,562,801	3,591,415
2,855,549	-	2,855,549	-
634,862	-	634,862	-
353,400	45,654	399,054	65,626
303,242	754,918	1,058,160	-
(35,354)	54,647	19,293	-
4,056,540	(4,056,540)	-	-
34,539,420	(3,201,321)	31,338,099	3,657,041
(4,143,759)	(2,255,063)	(6,398,822)	1,308,234
45,440,657	35,327,905	80,768,562	14,073,725
$ 41,296,898	$ 33,072,842	$ 74,369,740	$ 15,381,959

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	General	General Improvement	Nonmajor Governmental	Total Governmental
ASSETS				
Cash	$ 427,008	$ 9,066,275	$ 8,898,831	$ 18,392,114
Pooled and temporary investments	5,258,135	6,594,558	1,589,836	13,442,529
Receivables (net of allowances for uncollectibles):				
Interest	27,840	9,900	-	37,740
Intergovernmental	581,157	-	108,843	690,000
Accounts	423,345	-	152,892	576,237
Taxes	2,947,413	-	23,711	2,971,124
Prepayments and deposits	117	-	-	117
Due from other funds	755,000	-	155,000	910,000
Total assets	$ 10,420,015	$ 15,670,733	$ 10,929,113	$ 37,019,861
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts payable	$ 420,973	$ 711,516	$ 72,935	$ 1,205,424
Accrued wages payable	242,501	-	5,898	248,399
Customer deposits	200	-	223,143	223,343
Due to other funds	-	-	155,000	155,000
Total liabilities	663,674	711,516	456,976	1,832,166
Deferred inflows of resources:				
Unavailable revenue	362,901	-	9,922	372,823
Total deferred inflows of resources	362,901	-	9,922	372,823
Fund balances:				
Nonspendable:				
Prepayments and deposits	117	-	-	117
Restricted for:				
Café plan	11,429	-	-	11,429
Law enforcement support	-	-	408,595	408,595
Airport and tourism	-	-	272,242	272,242
Infrastructure and facilities improvement	-	14,499,800	7,222,699	21,722,499
Debt service	-	-	549,357	549,357
Cemetery maintenance	-	-	1,583,320	1,583,320
Committed to:				
New street development	-	-	426,002	426,002
Assigned for:				
Infrastructure and facilities improvement	-	459,417	-	459,417
Public charities	37,637	-	-	37,637
Unassigned	9,344,257	-	-	9,344,257
Total fund balance	9,393,440	14,959,217	10,462,215	34,814,872
Total liabilities, deferred inflows of resources and fund balances	$ 10,420,015	$ 15,670,733	$ 10,929,113	$ 37,019,861

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

Total fund balances - governmental funds	$ 34,814,872
Amounts reported for governmental activities in the statement of net positon 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.	6,815,251
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	
Governmental capital assets	114,911,788
Less: accumulated depreciation	(62,442,753)
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	(10,068,869)
Certificates of obligation	(28,291,288)
Tax notes	(1,395,000)
Compensated balances	(3,456,672)
Net pension liability	(15,208,200)
Net OPEB obligation	(1,077,318)
Deferred outflow of resources - bond refunding	231,862
Deferred outflow of resources - pension plan	6,954,776
Deferred inflow of resources - pension plan	(446,544)
Various other items necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, including:	
Accrued interest payable	(417,830)
Unavailable revenue - property taxes	133,963
Unavailable revenue - court fines	175,165
Unavailable revenue - ambulance fees	63,695
Net position of governmental activities	$ 41,296,898

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, 2017

	General	General Improvement	Nonmajor Governmental	Total Governmental
REVENUES				
Taxes:				
General property	$ 9,263,048	$ -	$ 1,618,017	$ 10,881,065
City sales	15,186,801	-	376,000	15,562,801
Franchise	2,855,549	-	-	2,855,549
Nonproperty	138,780	-	496,082	634,862
Licenses and permits	503,097	-	-	503,097
Intergovernmental	209,779	225,751	326,425	761,955
Charges for services	2,727,123	-	774,956	3,502,079
Fines and forfeitures	432,946	-	293,061	726,007
Investment income (loss)	84,858	90,684	174,066	349,608
Donations	14,870	-	38,287	53,157
Miscellaneous	275,614	19,630	34,592	329,836
Total revenues	31,692,465	336,065	4,131,486	36,160,016
EXPENDITURES				
Current:				
General government	5,408,179	-	-	5,408,179
Public safety	19,105,247	-	303,995	19,409,242
Streets	3,373,505	-	-	3,373,505
Sanitation	714,236	-	-	714,236
Community services	3,973,351	-	980,980	4,954,331
Community development	-	-	315,681	315,681
Capital outlay	1,344,674	7,928,400	59,405	9,332,479
Debt service:				
Principal	-	-	1,300,000	1,300,000
Interest	-	-	695,659	695,659
Debt issuance costs and agent fees	-	255,368	228,653	484,021
Total expenditures	33,919,192	8,183,768	3,884,373	45,987,333
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,226,727)	(7,847,703)	247,113	(9,827,317)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of debt	-	11,160,000	6,950,000	18,110,000
Refunding bonds issued	-	-	9,360,000	9,360,000
Premium on issuance of debt	-	991,972	708,869	1,700,841
Payment to refunding escrow agent	-	-	(9,886,862)	(9,886,862)
Proceeds from sale of assets	49,535	-	1,978	51,513
Transfers in	2,884,020	823,389	219,000	3,926,409
Transfers out	(1,533,054)	-	(321,020)	(1,854,074)
Total other financing sources (uses)	1,400,501	12,975,361	7,031,965	21,407,827
NET CHANGE IN FUND BALANCES	(826,226)	5,127,658	7,279,078	11,580,510
FUND BALANCES, BEGINNING	10,219,666	9,831,559	3,183,137	23,234,362
FUND BALANCES, ENDING	$ 9,393,440	$ 14,959,217	$ 10,462,215	$ 34,814,872

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2017

Total net change in fund balance - governmental funds	$	11,580,510
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.		707,472
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.		9,481,394
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.	(	4,937,424)
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	(	18,110,000)
Refunding bonds issued	(	9,360,000)
Premium on debt issuance	(	1,700,841)
Payment to refunding escrow agent		9,886,862
Principal paid - bonds payable		65,000
Principal paid - certificates of obligation		800,000
Principal paid - tax notes		435,000
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	(	351,146)
Change in net pension liability	(	480,925)
Change in net OPEB obligation	(	409,798)
Change in deferred outflows of resources - pension plan	(	1,337,068)
Change in deferred inflows of resources - pension plan		190,526
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	(	126,605)
Change in accrued interest payable	(	308,348)
Change in unavailable revenue - property taxes	(	72,685)
Change in unavailable revenue - court fines	(	27,010)
Change in unavailable revenue - ambulance fees	(	68,673)
Change in net position of governmental activities	$(	4,143,759)

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
ASSETS				
Current assets:				
Cash	$ 289,536	$ 199,816	$ 489,352	$ 581,036
Pooled and temporary investments	3,650,632	1,001,711	4,652,343	324
Receivables (net of allowances for uncollectibles):				
Interest	24,753	-	24,753	-
Intergovernmental	710,884	-	710,884	-
Accounts	1,998,671	626,557	2,625,228	165,178
Unbilled accounts	644,066	113,473	757,539	-
Inventories, at cost	374,197	-	374,197	39,675
Prepaid items	10,158	-	10,158	23,667
Total current assets	7,702,897	1,941,557	9,644,454	809,880
Noncurrent assets:				
Capital assets				
Non-depreciable assets	8,367,373	3,000	8,370,373	55,250
Other capital assets, net	22,355,717	676,699	23,032,416	7,839,611
Total noncurrent assets	30,723,090	679,699	31,402,789	7,894,861
Total assets	38,425,987	2,621,256	41,047,243	8,704,741
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan - TMRS	1,564,838	437,335	2,002,173	313,203

(continued)

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS (Continued)
SEPTEMBER 30, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
LIABILITIES				
Current liabilities:				
Accounts payable	$ 670,462	$ 155,641	$ 826,103	$ 230,902
Due to other funds	-	-	-	755,000
Accrued expenses payable:				
Accrued wages payable	171,013	47,542	218,555	31,480
Landfill closure and postclosure care costs	-	39,468	39,468	-
Claims payable	-	-	-	353,714
Unearned revenue	-	-	-	15,687
Customers' deposits payable	319,241	49,975	369,216	-
Current portion of long-term liabilities:				
Capital lease obligations	117,540	-	117,540	-
Accrued compensated absences	237,190	88,898	326,088	51,683
Other long-term payables	103,247	-	103,247	-
Total current liabilities	1,618,693	381,524	2,000,217	1,438,466
Long-term liabilities (net of current portion):				
Capital lease obligations payable	523,777	-	523,777	-
Net pension liability	3,463,836	984,329	4,448,165	695,011
Net OPEB obligation	258,959	73,502	332,461	48,478
Other long-term payables	2,544,212	-	2,544,212	-
Total long-term liabilities	6,790,784	1,057,831	7,848,615	743,489
Total liabilities	8,409,477	1,439,355	9,848,832	2,181,955
DEFERRED INFLOWS OF RESOURCES				
Pension plan - TMRS	98,681	29,061	127,742	20,738
NET POSITION				
Net investment in capital assets	27,434,314	679,699	28,114,013	7,894,861
Unrestricted	4,048,353	910,476	4,958,829	(1,079,610)
Total net position	$ 31,482,667	$ 1,590,175	$ 33,072,842	$ 6,815,251

The accompanying notes are an integral part of these financial statements.

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CITY OF SHERMAN, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
OPERATING REVENUES				
Water sales	$ 12,977,531	$ -	$ 12,977,531	$ -
Sewer sales	6,954,280	-	6,954,280	-
Solid waste service	-	6,264,247	6,264,247	-
Laboratory fees	150,286	-	150,286	-
Service connections and penalties	540,330	-	540,330	-
Utility tap fees	52,300	-	52,300	-
Charges for services	85,222	-	85,222	9,038,378
Miscellaneous	749,434	5,484	754,918	4,456
Total operating revenues	21,509,383	6,269,731	27,779,114	9,042,834
OPERATING EXPENSES				
Personnel services	6,390,838	1,801,718	8,192,556	1,191,326
Contractual services	9,289,968	1,751,143	11,041,111	5,877,243
Supplies	1,365,432	159,404	1,524,836	709,381
Maintenance and repair	1,823,907	102,568	1,926,475	1,110,452
Vehicle usage	383,651	864,219	1,247,870	-
Depreciation	2,214,743	196,876	2,411,619	1,424,962
Total operating expenses	21,468,539	4,875,928	26,344,467	10,313,364
OPERATING INCOME (LOSS)	40,844	1,393,803	1,434,647	(1,270,530)
NONOPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of assets	18,406	36,241	54,647	(7,184)
Investment income	35,913	9,741	45,654	3,792
Interest expense	(122,580)	-	(122,580)	(2,811)
Total nonoperating revenues (expenses)	(68,261)	45,982	(22,279)	(6,203)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(27,417)	1,439,785	1,412,368	(1,276,733)
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	389,109	-	389,109	-
Transfers in	161,000	-	161,000	1,984,205
Transfers out	(2,472,929)	(1,744,611)	(4,217,540)	-
Total contributions and transfers	(1,922,820)	(1,744,611)	(3,667,431)	1,984,205
CHANGE IN NET POSITION	(1,950,237)	(304,826)	(2,255,063)	707,472
NET POSITION, BEGINNING	33,432,904	1,895,001	35,327,905	6,107,779
NET POSITION, ENDING	$ 31,482,667	$ 1,590,175	$ 33,072,842	$ 6,815,251

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, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Solid Waste	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 20,713,577	$ 6,245,083	$ 26,958,660	$ -
Cash received for interfund services	-	-	-	7,896,703
Cash received from others	749,434	5,484	754,918	1,116,872
Cash paid for supplies and materials	(13,261,957)	(2,008,567)	(15,270,524)	(2,331,270)
Cash paid for premiums, claims and administrative	-	-	-	(5,795,376)
Cash paid for personnel services	(5,030,114)	(1,395,497)	(6,425,611)	(933,168)
Cash paid for interfund services	(1,389,758)	(1,115,117)	(2,504,875)	(181,839)
Net cash provided (used) by operating activities	1,781,182	1,731,386	3,512,568	(228,078)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	161,000	-	161,000	2,214,205
Cash paid to other funds	(2,472,929)	(1,744,611)	(4,217,540)	55,000
Net cash provided (used) by noncapital financing activities	(2,311,929)	(1,744,611)	(4,056,540)	2,269,205
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of assets	18,406	44,321	62,727	30,733
Acquisition of capital assets	(1,117,726)	(130,904)	(1,248,630)	(2,132,485)
Principal retirement of long-term debt	(214,584)	-	(214,584)	(162,447)
Interest paid on long-term debt	(122,580)	-	(122,580)	(2,811)
Capital contributions	389,109	-	389,109	-
Net cash provided (used) by capital and related financing activities	(1,047,375)	(86,583)	(1,133,958)	(2,267,010)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and investment income received	31,407	9,741	41,148	3,792
Purchases of investments	(2,926,332)	(1,000,000)	(3,926,332)	-
Proceeds from sale of investments	4,675,910	109,846	4,785,756	14,440
Net cash provided (used) by investing activities	1,780,985	(880,413)	900,572	18,232
NET INCREASE (DECREASE) IN CASH	202,863	(980,221)	(777,358)	(207,651)
CASH, BEGINNING	86,673	1,180,037	1,266,710	788,687
CASH, ENDING	$ 289,536	$ 199,816	$ 489,352	$ 581,036

(continued)

The accompanying notes are an integral part of these financial statements.

CITY OF SHERMAN, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	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	$ 40,844	$ 1,393,803	$ 1,434,647	$(1,270,530)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	2,214,743	196,876	2,411,619	1,424,962
(Increase) decrease in:				
Intergovernmental receivable	(710,884)	-	(710,884)	-
Accounts receivable (net)	144,908	(1,276)	143,632	(27,765)
Unbilled receivables	9,383	4,200	13,583	-
Inventories	4,685	-	4,685	3,288
Prepaid items	-	12,348	12,348	(20,496)
Deferred outflows of resources	322,546	86,493	409,039	59,463
Increase (decrease) in:				
Accounts payable	(217,917)	(7,800)	(225,717)	(138,139)
Accrued wages payable	(1,286)	5,751	4,465	5,021
Estimated liability for claims	-	-	-	(289,563)
Unearned revenue	-	-	-	(1,494)
Accrued compensated absences	(3,422)	19,654	16,232	(2,056)
Customer deposits	(200,663)	(22,088)	(222,751)	-
Net pension liability	116,332	31,195	147,527	21,447
Net OPEB obligation	107,999	24,588	132,587	16,280
Deferred inflows of resources	(46,086)	(12,358)	(58,444)	(8,496)
Total adjustments	1,740,338	337,583	2,077,921	1,042,452
Net cash provided (used) by operating activities	$ 1,781,182	$ 1,731,386	$ 3,512,568	$(228,078)

The accompanying notes are an integral part of these financial statements.

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-member 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)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Financial Reporting Entity (Continued)

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Financial Reporting Entity (Continued)

Related Organizations (Continued)

***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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, and Net Position or Equity (Continued)

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.

	2016 Tax Roll	2015 Tax Roll
Total assessed value	$ 3,608,684,382	$ 3,483,214,777
Less exemptions for:		
Productivity valuations of open land space	77,756,203	74,265,056
Homestead and individuals over 65	133,298,110	84,938,777
Disabled veterans	16,740,807	14,602,066
Freeport exemptions	84,319,146	118,381,149
Property redevelopment and Tax Abatement Act	521,159,739	669,834,199
Net assessed value	$ 2,775,410,377	$ 2,521,193,530
Tax rate (per $100 valuation)	$ 0.3943	$ 0.3720

Inventories

The inventories in the proprietary funds are valued at the lower of cost or market on a first-in, first-out basis. These inventories consist of supplies and fuels held for consumption and are recorded as expenses when consumed.

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."

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, and Net Position or Equity (Continued)

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, and Net Position or Equity (Continued)

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.

Deferred Inflows / Outflows of Resources

In addition to assets, the statement of net position 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 that applies to a future period and so will not be recognized as an outflow of resources (expense / expenditure) until then. The City has three items that qualify in this category. First, a deferred charge on bond refunding is reported as the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunding debt or the refunded debt. Second, the City's pension plan contributions made from the measurement date of the pension plan to the current fiscal year-end are deferred and will be recognized in the subsequent fiscal year. The last deferred outflow relates to actuarial differences arising from the operation of the TMRS plan. These items are amortized over a fixed five-year period or over the average expected remaining service life of members of the TMRS plan as of the beginning of the measurement period.

In addition to liabilities, the statement of financial position 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 that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies in this category, which relates to actuarial differences arising from the operation of the TMRS plan. This item is amortized over a fixed five-year period or over the average expected remaining service life of members of the TMRS plan as of the beginning of the measurement period.

Additionally, the City has one deferred inflow of resources that arises only under the modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. This deferred inflow is reclassified to revenue on the government-wide financial statements.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, and Net Position or Equity (Continued)

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's Fund Balance policy is to spend the funds with the most constraints first. 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.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. New Accounting Pronouncements

During fiscal year 2017, the City adopted the following GASB Statements:

GASB Statement No. 77, *Tax Abatement Disclosures*, addresses financial reporting for tax abatement agreements entered into by state and local governments. This Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The City implemented this Statement in the current fiscal year.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, addresses a practice issue regarding the scope and applicability of Statement No. 68, "Accounting and Financial Reporting for Pensions". Statement No. 78 is to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of this Statement had no effect on the financial statements.

GASB Statement No. 80, *Blending Requirements for Certain Component Units*, is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement amends the blending requirements established in paragraph 53 of Statement No. 14, "The Financial Reporting Entity", as amended. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of this Statement had no effect on the financial statements.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of this Statement has no effect on the financial statements.

GASB Statement No. 82, *Pension Issues*, is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The City implemented this Statement in the current fiscal year.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. New Accounting Pronouncements (Continued)

The GASB has issued the following statements, which will be effective in future years as described below:

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes financial reporting standards for state and local governmental other post-employment benefit plans (OPEB). The statement replaces Statement No. 43, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," as amended, and Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans". The City is currently evaluating changes to the financial statements as a result of the implementation of this statement, which is effective for financial statements for fiscal years beginning after June 15, 2016. The OPEB Plan is reported on a calendar year basis.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This statement establishes standards for recognizing and measuring liabilities, deferred outflows and inflows of resources, and pension expense. The City is currently evaluating changes to the financial statements as a result of the implementation of this statement, which is effective for fiscal years beginning after June 15, 2017.

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.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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 Insurance Fund (an internal service fund) has deficit equity of $983,613 at September 30, 2017. This fund accounts for self-funded health and dental insurance for employees and retirees. The City is committed to providing quality affordable group benefits to its employees and their families. However, the fund has experienced significant increases in claims costs over recent years. In an effort to maintain a balanced approach to offering these benefits to employees in a fiscally responsible manner, the City has implemented significant changes in the plan that are expected to eliminate the deficit over the next three fiscal years and provide a reasonable claims experience going forward.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Cash at September 30, 2017, as reported in the Statement of Net Position, consists of the following items:

	Primary Government	Component Unit
Petty Cash	$ 5,810	$ 200
Bank Deposits:		
Demand Accounts	570,476	2,020,823
Time Accounts	3,020,619	2,248,220
Federally Insured Investments	15,865,597	2,266,771
Total cash and deposits	$ 19,462,502	$ 6,536,014

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, 2017, the City's deposit balance of $20,580,218 and the Sherman Economic Development Corporation, a discretely presented component unit, balance of $6,587,721 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.

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Investments

The following schedule summarizes the City's investments as of September 30, 2017:

Investment Type	Fair Value	Credit Rating	Weighted Average Maturity (Days)
Primary government			
U. S. Government Agency Securities	$ 7,679,475	AA+ to Aaa	698
Texas Subdivisions Municipal Obligations	6,172,908	A3 to AAA	542
TexStar	93,396	AAAm	27
TexPool	2,585,281	AAAm	37
Common trust funds (corporate)	1,564,136	NR	1,334
Total primary government	18,095,196		
Component unit			
TexPool	2,262,327	AAAm	37
Total investments	$ 20,357,523		

The City has investments with two public funds investment pools as of September 30, 2017: 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, 20167, 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.

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Investments (Continued)

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, 2017, 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.

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Investments - Fair Value Hierarchy (Continued)

The following schedule summarizes the City's investments that are measured at fair value on a recurring basis as of September 30, 2017:

		Fair Value Measurements Using		
Investment Type	Fair Value 9/30/2017	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U. S. Government Agency Securities	$ 7,679,475	$ -	$ 7,679,475	$ -
Texas Subdivisions Municipal Obligations	6,172,908	-	6,172,908	-
Common trust funds (corporate)	1,564,136	715,234	848,902	-
Total	$ 15,416,519	$ 715,234	$ 14,701,285	$ -

Each of the City's investments categorized as Level 2 above is valued using quoted market prices in markets that are not active.

B. Receivables

Amounts recorded as receivable as of September 30, 2017, 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	Water and Sewer	Solid Waste	Internal Service	Nonmajor	Total
Receivables:							
Interest	$ 27,840	$ 9,900	$ 24,753	$ -	$ -	$ -	$ 62,493
Intergovernmental	581,157	-	710,884	-	-	108,843	1,400,884
Accounts	1,724,519	-	2,706,737	765,030	165,178	152,896	5,514,360
Taxes	3,182,794	-	-	-	-	47,422	3,230,216
Gross receivables	5,516,310	9,900	3,442,374	765,030	165,178	309,161	10,207,953
Less: allowance for uncollectibles	(1,536,555)	-	(64,000)	(25,000)	-	(23,715)	(1,649,270)
Net total receivables	$ 3,979,755	$ 9,900	$ 3,378,374	$ 740,030	$ 165,178	$ 285,446	$ 8,558,683

The Water and Sewer Fund and the Solid Waste Fund accounts receivable include unbilled charges for services rendered at September 30, 2017.

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 Fund	Nonmajor Governmental	Total
Delinquent property taxes receivable	$ 124,041	$ 9,922	$ 133,963
Court fines	175,165	-	175,165
Ambulance fees	63,695	-	63,695
Total governmental funds	$ 362,901	$ 9,922	$ 372,823

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended September 30, 2017, 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	$ 2,663,796	$ 665,402	$ -	$ -	$ 3,329,198
Construction in progress	1,315,878	7,912,057	(46,922)	-	9,181,013
Total assets not being depreciated	3,979,674	8,577,459	(46,922)	-	12,510,211
Capital assets, being depreciated:					
Buildings	7,154,417	141,321	(223,700)	-	7,072,038
Improvements other than buildings	83,734,517	55,192	(52,130)	-	83,737,579
Machinery and equipment	10,447,284	613,954	(826,242)	7,650	10,242,646
Other assets	1,223,346	93,468	-	32,500	1,349,314
Total capital assets being depreciated	102,559,564	903,935	(1,102,072)	40,150	102,401,577
Less accumulated depreciation:					
Buildings	4,548,183	154,396	(220,129)	-	4,482,450
Improvements other than buildings	44,513,685	4,110,993	(52,130)	-	48,572,548
Machinery and equipment	8,734,929	469,574	(750,130)	7,650	8,462,023
Other assets	690,771	202,461	-	32,500	925,732
Total accumulated depreciation	58,487,568	4,937,424	(1,022,389)	40,150	62,442,753
Total capital assets being depreciated, net	44,071,996	(4,033,489)	(79,683)	-	39,958,824
Governmental activities, excluding internal service funds, capital assets, net	$ 48,051,670	$ 4,543,970	$(126,605)	$ -	$ 52,469,035

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

	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	132,091	29,330	-	-	161,421
Machinery and equipment	11,691,993	2,051,195	(240,550)	34,464	13,537,102
Other assets	63,422	41,028	-	-	104,450
Total capital assets being depreciated	11,887,506	2,121,553	(240,550)	34,464	13,802,973
Less accumulated depreciation:					
Buildings	117,712	3,114	-	-	120,826
Machinery and equipment	4,580,871	1,403,632	(202,633)	34,464	5,816,334
Other assets	7,986	18,216	-	-	26,202
Total accumulated depreciation	4,706,569	1,424,962	(202,633)	34,464	5,963,362
Total capital assets being depreciated, net	7,180,937	696,591	(37,917)	-	7,839,611
Internal service funds capital assets, net	$ 7,236,187	$ 696,591	$(37,917)	$ -	$ 7,894,861
Governmental activities capital assets, net	$ 55,287,857	$ 5,240,561	$(164,522)	$ -	$ 60,363,896

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Reclassifications/ Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 366,683	$ -	$ -	$ -	$ 366,683
Water rights	6,400,892	-	-	-	6,400,892
Construction in progress	1,504,327	689,185	(590,714)	-	1,602,798
Total assets not being depreciated	8,271,902	689,185	(590,714)	-	8,370,373
Capital assets, being depreciated:					
Buildings	3,805,785	9,500	-	-	3,815,285
Improvements other than buildings	53,901,050	721,617	-	-	54,622,667
Machinery and equipment	9,105,506	393,144	(502,928)	(74,614)	8,921,108
Other assets	16,113	25,898	-	-	42,011
Total capital assets being depreciated	66,828,454	1,150,159	(502,928)	(74,614)	67,401,071
Less accumulated depreciation:					
Buildings	2,367,573	83,667	-	-	2,451,240
Improvements other than buildings	32,834,386	1,931,297	-	-	34,765,683
Machinery and equipment	7,309,925	391,140	(494,848)	(74,614)	7,131,603
Other assets	14,614	5,515	-	-	20,129
Total accumulated depreciation	42,526,498	2,411,619	(494,848)	(74,614)	44,368,655
Total capital assets being depreciated, net	24,301,956	(1,261,460)	(8,080)	-	23,032,416
Business-type activities capital assets, net	$ 32,573,858	$(572,275)	$(598,794)	$ -	$ 31,402,789
Total primary government	$ 87,861,715	$ 4,668,286	$(763,316)	$ -	$ 91,766,685
Component unit					
Capital assets, not being depreciated:					
Land and improvements	$ 5,748,634	$ 236,350	$ -	$ -	$ 5,984,984
Total assets not being depreciated	5,748,634	236,350	-	-	5,984,984
Capital assets, being depreciated:					
Equipment	24,981	10,675	-	-	35,656
Accumulated depreciation	(23,105)	(492)	-	-	(23,597)
Total capital assets being depreciated, net	1,876	10,183	-	-	12,059
Total component unit	$ 5,750,510	$ 246,533	$ -	$ -	$ 5,997,043

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 234,436
Public safety	383,619
Streets	3,564,283
Sanitation	21,632
Community services	733,454
Internal service funds	1,424,962
Total depreciation expense - governmental activities	$ 6,362,386
Business-type activities:	
Water and sewer	$ 2,214,743
Solid waste	196,876
Total depreciation expense - business-type activities	$ 2,411,619

D. Long-term Debt

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2017:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Certificates of obligation	$ 18,195,000	$ 18,110,000	$ 9,310,000	$ 26,995,000	$ 1,120,000
Premium	304,316	991,972	-	1,296,288	-
Total certificates of obligation	18,499,316	19,101,972	9,310,000	28,291,288	1,120,000
Bonds payable	1,210,000	9,360,000	1,210,000	9,360,000	100,000
Premium	-	708,869	-	708,869	-
Total bonds payable	1,210,000	10,068,869	1,210,000	10,068,869	100,000
Tax notes	1,830,000	-	435,000	1,395,000	460,000
Capital leases payable	162,447	-	162,447	-	-
Compensated absences	3,159,265	1,644,124	1,295,034	3,508,355	1,477,385
Net pension liability	15,400,839	502,372	-	15,903,211	-
Net OPEB obligation	699,718	426,078	-	1,125,796	-
Governmental activities long-term liabilities	$ 40,961,585	$ 31,743,415	$ 12,412,481	$ 60,292,519	$ 3,157,385
Business-type activities					
Capital leases payable	$ 756,765	$ -	$ 115,447	$ 641,318	$ 117,540
Other long-term debt	2,746,595	-	99,136	2,647,459	103,247
Compensated absences	309,856	326,650	310,418	326,088	326,088
Net pension liability	4,300,638	147,527	-	4,448,165	-
Net OPEB obligation	199,874	132,587	-	332,461	-
Business-type activities long-term liabilities	$ 8,313,728	$ 606,764	$ 525,001	$ 8,395,491	$ 546,875

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Interest expense totaled $1,490,839 and $122,850 for governmental and business-type activities, respectively. No interest was capitalized during the year ended September 30, 2017.

Certificates of Obligation

Certificates of obligation are comprised of the following issues at September 30, 2017:

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.	$ 1,270,000
$5,000,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2008, due in annual installments of $175,000 to $375,000 through 2028, interest at 3.62%, to pay contractual obligations for public works projects. The City advance refunded $3,110,000 of these certificates with the issuance of General Obligation Refunding Bonds, Series 2017. As a result, the final payment by the City on this debt will be in 2018.	245,000
$5,000,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2009, due in annual installments of $135,000 to $370,000 through 2029, interest at 3.0% to 4.3%, to pay contractual obligations for general purpose public works projects and other public works projects in the Sherman Tax Increment Reinvestment Zones Number One and Number Two. The City advance refunded $3,080,000 of these certificates with the issuance of General Obligation Refunding Bonds, Series 2017. As a result, the final payment by the City on this debt will be in 2018.	245,000
$3,500,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2009A, due in annual installments of $115,000 to $260,000 through 2029, interest at 3.0% to 4.25%, to pay contractual obligations for public works projects. The City advance refunded $2,310,000 of these certificates with the issuance of General Obligation Refunding Bonds, Series 2017. As a result, the final payment by the City on this debt will be in 2018.	155,000
$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.	6,970,000
$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.	18,110,000
Total governmental activities	$ 26,995,000

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Certificates of Obligation (Continued)

Debt service requirements for the certificates of obligation through maturity are as follows:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Totals
2018	$ 1,120,000	$ 1,235,183	$ 2,355,183
2019	1,115,000	934,649	2,049,649
2020	1,165,000	888,841	2,053,841
2021	1,215,000	837,739	2,052,739
2022	1,275,000	784,393	2,059,393
2023-2027	6,195,000	3,097,631	9,292,631
2028-2032	7,110,000	1,930,288	9,040,288
2033-2037	7,800,000	771,988	8,571,988
Total	$ 26,995,000	$ 10,480,712	$ 37,475,712

Bonds Payable

Bonds payable is comprised of the following issue at September 30, 2017:

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%.	$ 9,360,000

Debt service requirements of bonds payable through maturity are as follows:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Totals
2018	$ 100,000	$ 294,600	$ 394,600
2019	765,000	292,600	1,057,600
2020	790,000	277,300	1,067,300
2021	810,000	261,500	1,071,500
2022	830,000	245,300	1,075,300
2023-2027	4,490,000	768,550	5,258,550
2028-2032	1,575,000	89,650	1,664,650
Total	$ 9,360,000	$ 2,229,500	$ 11,589,500

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Advance Refunding

The General Obligation Refunding Bonds, Series 2017 provided moneys for the advance refunding of a significant portion of the following debt issuances: General Obligation Refunding Bonds, Series 2006; and Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2008, Series 2009, and Series 2009A (the "refunded debt"). The refunded debt bore an average interest rate of 3.85% and had a combined outstanding balance of $10,685,000 at the time of the advance refunding; the issuance of the Series 2017 bonds advance refunded $9,655,000 of the total amount outstanding on the refunded debt. Net proceeds of $9,886,862 from the issuance of the Series 2017 bonds were deposited into an irrevocable trust with an escrow agent to provide future debt payments on the refunded debt. The refunded debt is considered defeased and the liability for the refunded debt has been removed from the City's financial statements. The advance refunding reduced the City's debt service requirements for the next 14 years by approximately $865,174. The advance refunding resulted in an economic gain (the difference between the net present value of the old and new debt service requirements of $770,531 and an accounting loss (the difference between the book value of the old debt and the amount required to retire the debt) of $231,862. In accordance with accounting standards, the accounting loss is deferred and is not reported on the statement of activities; instead, it is reported as a deferred outflow of resources on the statement of net position and will be amortized over the original life of the refunded debt or the life of the new bonds, whichever is less.

As of September 30, 2017, defeased certificates of obligation totaling $8,510,000 remain outstanding.

Tax Notes

Tax notes is comprised of the following issue at September 30, 2017:

Governmental activities	
$1,830,000 Limited Tax Notes, Series 2016, due in annual installments of $435,000 to $470,000 through 2020, interest at 1.59% to pay for street improvements.	$ 1,395,000

Debt service requirements of tax notes through maturity are as follows:

Year Ending September 30,	Governmental Activities		
	Principal	Interest	Totals
2018	$ 460,000	$ 22,181	$ 482,181
2019	465,000	14,866	479,866
2020	470,000	7,473	477,473
Total	$ 1,395,000	$ 44,520	$ 1,439,520

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Capital Leases Payable

Capital leases payable is comprised of the following issue at September 30, 2017:

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%.	$ 641,318

The future minimum lease obligations and the net present value of those minimum lease payments as of September 30, 2017, were as follows:

Year Ending September 30,	Business-type Activities
2018	$ 128,293
2019	128,293
2020	128,293
2021	128,293
2022	128,293
2023-2027	32,073
Total minimum leases payable	673,538
Less: amounts representing interest	32,220
Present value of minimum lease payments	$ 641,318

The assets acquired through capital leases are as follows:

	Business-type Activities
Asset:	
Machinery and equipment	$ 839,131
Less: accumulated depreciation	(161,559)
Total	$ 677,572

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 $208,870. The balance outstanding at September 30, 2017, is $2,647,459.

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

Other Long-term Payable (Continued)

Debt service requirements at September 30, 2017, for the long-term payable through maturity are as follows:

Year Ending September 30,	Business-type Activities Texoma Water Rights Series 2007		
	Principal	Interest	Totals
2018	$ 103,247	$ 105,623	$ 208,870
2019	107,372	101,498	208,870
2020	111,662	97,208	208,870
2021	116,122	92,748	208,870
2022	120,762	88,108	208,870
2023-2027	680,147	364,203	1,044,350
2028-2032	827,304	217,046	1,044,350
2033-2037	580,843	45,767	626,610
Total	$ 2,647,459	$ 1,112,201	$ 3,759,660

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, 2017, significantly all is payable from the General Fund.

Net Pension Liability and Net Other Post Employment Benefit (OPEB) Obligation

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 out	Transfers in					
	General	General Improvement	Nonmajor Governmental	Water and Sewer	Internal Service	Totals
General fund	$ -	$ 750,000	$ -	$ -	$ 783,054	$ 1,533,054
Nonmajor governmental	102,020	-	219,000	-	-	321,020
Water and sewer	2,052,000	73,389	-	-	347,540	2,472,929
Solid waste	730,000	-	-	161,000	853,611	1,744,611
Total	$ 2,884,020	$ 823,389	$ 219,000	$ 161,000	$ 1,984,205	$ 6,071,614

Transfers were used to 1) move hotel/motel taxes to the Auditorium Debt Service Fund for bond payments; 2) allocate funds from the Water and Sewer Fund and the Solid Waste Fund for general, administrative and franchise costs; 3) fund fleet purchases from the General Fund, the Water and Sewer Fund and the Solid Waste Fund with transfers to the Fleet Replacement Fund; 4) fund general capital improvements with transfers to the General Improvement Fund; and 5) reconcile prior year differences in grant accounting records.

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Transfers and Balances (Continued)

Interfund balances at September 30, 2017 consisted of the following receivables and payables:

	Due from Other Funds			
Due to Other Funds	General Fund	Nonmajor Governmental	Totals	Purpose
Internal Service	$ 755,000	$ -	$ 755,000	Pooled cash overdraft
Nonmajor Governmental	-	155,000	155,000	Pooled cash overdraft
Totals	$ 755,000	$ 155,000	$ 910,000	

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 $1,000,000 for workers' compensation, $250,000 for property and $1,000,000 for liability damage. Each department receives an allocation in order to pay workers' compensation contribution to the pool. This cost is based on the pool's claims cost, which is adjusted to reflect the City's individual claims experience. All insured claims are paid by TMLIRP at replacement cost.

The City has a workers' compensation deductible of $5,000 per occurrence, with an annual aggregate retention of $375,000. The City has a deductible of $5,000 per occurrence for property and liability except for machinery and mobile equipment which have a deductible of $2,500 and $500, respectively.

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, 2017, total City and employee contributions to the plan were $5,584,479. Benefit payments, insurance premiums and administrative fees aggregated $5,538,897. The cumulative fund deficit was $(983,613) at September 30, 2017.

IV. OTHER INFORMATION

B. Health Insurance (Continued)

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 $865. 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, 2017 and 2016:

	2017	2016
Amount of claims liability - October 1	$ 643,277	$ 391,203
Incurred claims	4,690,010	7,572,278
Payments on claims	(4,979,573)	(7,320,204)
Amount of claims liability - September 30 (due within one year)	$ 353,714	$ 643,277

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. The actual postclosure care costs to date have amounted to $1,596,092 in total. To date, the City has paid $1,058,281. 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.

IV. OTHER INFORMATION

D. Commitments (Continued)

Greater Texoma Utility Authority (Continued)

During the year ended September 30, 2017, the City paid $6,034,192 to GTUA in accordance with these contracts. Future payments under these contracts average approximately $4,448,000 per year for the next 20 years.

A summary of the remaining debt service as of September 30, 2017, is as follows:

Year Ending September 30,	Principal	Interest	Totals
2018	$ 4,950,820	$ 1,675,835	$ 6,626,655
2019	5,041,220	1,549,171	6,590,391
2020	5,156,800	1,448,831	6,605,631
2021	4,318,100	1,338,813	5,656,913
2022	4,178,500	1,263,670	5,442,170
2023-2027	21,365,200	4,993,465	26,358,665
2028-2032	18,447,340	2,481,391	20,928,731
2033-2037	10,215,000	555,912	10,770,912
Total	$ 73,672,980	$ 15,307,088	$ 88,980,068

Following is an excerpt from the audited financial statements of GTUA, reflecting the balances as of and for the year ended September 30, 2017. These assets, deferred outflows of resources, liabilities, and net position are not that of the City but do reflect an allocation of the respective amounts among the GTUA's members. The deficit of net investment in capital assets reflects a quicker rate of depreciation of capital assets compared to the rate of repayment on the related long-term debt used to finance those assets. Also presented is a comparative statement of revenues and expenses for the sum of the contractual arrangements between the City and GTUA.

IV. OTHER INFORMATION (Continued)

D. Commitments (Continued)
Greater Texoma Utility Authority (Continued)

SCHEDULE OF NET POSITION

	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 120,738	$ 368,859
Temporary investments	275,469	275,213
Interest receivable	163,470	78,805
Due from other funds	271,206	242,316
Total current assets	830,883	965,193
Restricted assets:		
Cash and cash equivalents	18,378,239	17,729,835
Temporary investments	25,275,363	22,726,124
Other restricted assets	23,384	8,411
Total restricted assets	43,676,986	40,464,370
Capital assets (net)	39,772,863	30,715,982
Total assets	84,280,732	72,145,545
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	136,827	161,829
LIABILITIES		
Current liabilities:		
Accounts payable	900,430	928,437
Retainage payable	835,895	-
Accrued interest payable	774,589	718,395
Revenue bonds payable	4,330,000	4,260,000
Total current liabilities	6,840,914	5,906,832
Long-term liabilities:		
Revenue bonds payable	70,876,478	61,706,461
Total liabilities	77,717,392	67,613,293
NET POSITION		
Net investment in capital assets	(4,429,824)	(6,747,559)
Restricted - debt service	10,601,220	11,584,516
Unrestricted	528,771	(142,876)
Total net position	$ 6,700,167	$ 4,694,081

IV. OTHER INFORMATION (Continued)

D. Commitments (Continued)
Greater Texoma Utility Authority (Continued)

COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES

	2017	2016
OPERATING REVENUES		
Charges for services	$ 6,019,991	$ 5,893,419
Total operating revenues	6,019,991	5,893,419
OPERATING EXPENSES		
General and administrative	499,466	488,366
Depreciation	1,946,387	1,677,780
Total operating expenses	2,445,853	2,166,146
OPERATING INCOME (LOSS)	3,574,138	3,727,273
NONOPERATING REVENUE (EXPENSES)	(1,568,052)	(1,646,402)
TRANSFERS IN (OUT)	-	234,967
CHANGE IN NET POSITION	$ 2,006,086	$ 2,315,838

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, 2017:

	General	General Improvement
General government	$ 25,000	$ -
Public safety	109,536	-
Streets	82,631	-
Community services	2,324	-
Capital outlay	-	200,518
	$ 219,491	$ 200,518

IV. OTHER INFORMATION (Continued)

D. Commitments (Continued)

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 $19,000 to $2,500,000 to each of the individual companies if the companies meet certain requirements by a specified date. Total payments for the fiscal year 2017 under these agreements were $963,095. Potential payments for these agreements are estimated at $1,116,150 for the fiscal year ending September 30, 2018.

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 and sewer lines to Blalock Industrial Park. During the year ended September 30, 2017, SEDCO paid $389,001 to the City of Sherman in accordance with these contracts. Future payments under this contract average $277,000 over the next 20 years.

A summary of the remaining debt service as of September 30, 2017, is as follows:

Year Ending September 30,	Principal	Interest	Total
2018	$ 250,072	$ 148,124	$ 398,196
2019	261,572	140,397	401,969
2020	270,429	133,365	403,794
2021	281,461	125,886	407,347
2022	296,543	117,942	414,485
2023-2027	1,652,904	445,709	2,098,613
2028-2032	937,309	223,311	1,160,620
2033-2037	232,526	27,664	260,190
	$ 4,182,816	$ 1,362,398	$ 5,545,214

Construction

The City has entered into various contracts for engineering, design and construction of street and facility improvement projects throughout the City. Costs to be incurred under these contracts total $10,122,448, of which $5,760,531 has been paid as of September 30, 2017. Payment will be made with proceeds from the City's 2016 and 2017 certificates of obligation and tax note debt issuances, and utility revenue.

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.

IV. OTHER INFORMATION (Continued)

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. 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 2017 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% ranging from 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 2017.

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 2017.

IV. OTHER INFORMATION (Continued)

E. Tax Abatements (Continued)

For the year ended September 30, 2017, the City abated property taxes of $727,853 or 0.18% of the $410,868,873 market valuation of properties under these agreements.

Tax Abatement Program	Purpose	Recapture Provisions	Abated Property Tax Revenue for Fiscal Year 2017
Industrial and Commercial Reinvestment Incentives:			
Globitech Incorporated	Building improvements and equipment	None	$ 53,893
Panda Sherman Power, LLC	Development and construction of electric generation facility	None	500,058
Texas Instruments	Warehousing equipment	None	9,687
Tyson Fresh Meats, Inc.	Building and facility improvements, equipment and machinery	Recapture of all tax revenue lost plus interest on total or partial default	136,062
Total Industrial and Commercial Reinvestment Incentives			699,700
Residential Tax Abatement Program	Residential development and redevolopment in low- to moderate-income locations	None	28,153
Total Tax Abatements			$ 727,853

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

IV. OTHER INFORMATION (Continued)

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. Retirement Plan

Plan Description

The City participates as one of 872 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency 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 municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.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.

Plan provisions for the City were as follows:

	Plan Year 2016	Plan Year 2017
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	30% of CPI

IV. OTHER INFORMATION (Continued)

H. Retirement Plan (Continued)

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	307
Inactive employees entitled to but not yet receiving benefits	137
Active employees	413
Total	857

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, 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 actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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 13.29% and 14.16% in calendar years 2016 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2017, were $3,198,051, and were equal to the required contributions.

Net Pension Liability

The city's Net Pension Liability (NPL) was measured as of December 31, 2016, 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, 2016 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall Payroll Growth	3.0% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, 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 become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

IV. OTHER INFORMATION (Continued)

H. Retirement Plan (Continued)

Net Pension Liability (Continued)

Actuarial assumptions used in the December 31, 2016 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period of December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. 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 allocation 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). At its meeting on July 30, 2015, the TMRS Board approved a new portfolio target allocation. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	4.15%
Real Return	10.0%	4.15%
Real Estate	10.0%	4.75%
Absolute Return	10.0%	4.00%
Private Equity	5.0%	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.

IV. OTHER INFORMATION (Continued)

H. Retirement Plan (Continued)

Net Pension Liability (Continued)

Changes in the Net Pension Liability

Changes in the City's NPL for the year ended December 31, 2016 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2015	$ 129,882,107	$ 110,180,630	$ 19,701,477
Changes for the Year:			
Service cost	3,486,523	-	3,486,523
Interest	8,656,254	-	8,656,254
Changes of benefit terms	-	-	-
Difference between expected and actual experience	350,688	-	350,688
Changes of assumptions	-	-	-
Contributions - employer	-	2,940,094	(2,940,094)
Contributions - employee	-	1,548,582	(1,548,582)
Net investment income	-	7,443,517	(7,443,517)
Benefit payments, including refunds of employee contributions	(6,769,128)	(6,769,128)	-
Administrative expense	-	(84,096)	84,096
Other changes	-	(4,531)	4,531
Net Changes	5,724,337	5,074,438	649,899
Balance at December 31, 2016	$ 135,606,444	$ 115,255,068	$ 20,351,376

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)	$ 38,023,249	$ 20,351,376	$ 5,726,250

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.

IV. OTHER INFORMATION (Continued)

H. Retirement Plan (Continued)

Pension Expense and Deferred Outflows / Inflows of Resources Related to Pensions

For the year ended September 30, 2017, the City recognized pension expense of $5,396,753.

At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	$ 275,755	$ 589,965
Change in actuarial assumptions	1,434,882	-
Difference between projected and actual investment earnings	5,155,910	5,059
Contributions subsequent to the measurement date	2,403,605	-
Total	$ 9,270,152	$ 595,024

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (in the amount of $2,403,605) will be recognized as a reduction of the NPL for the year ended September 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	
2017	$ 2,151,124
2018	2,179,366
2019	1,891,341
2020	49,692
2021	-
Total	$ 6,271,523

I. 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.

IV. OTHER INFORMATION (Continued)

I. Other Postemployment Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City's annual OPEB cost for the current year and the related information is listed below:

	09/30/2015	09/30/2016	09/30/2017
Annual Required Contribution (ARC)	$ 685,335	$ 685,335	$ 698,906
Interest on Net OPEB Obligation	36,828	42,660	35,984
Adjustment to the ARC	(52,207)	(52,207)	(51,010)
Annual OPEB Cost	669,956	675,788	683,880
Employer Contributions with Interest	(524,154)	(842,706)	(125,215)
Increase (Decrease) in Net OPEB Obligation	145,802	(166,918)	558,665
Net OPEB Obligation/(Asset), beginning of year	920,708	1,066,510	899,592
Net OPEB Obligation/(Asset), end of year	$ 1,066,510	$ 899,592	$ 1,458,257
Contributions as a percent of the Annual OPEB Cost	78.2%	124.7%	18.3%

In addition to the employer contribution, the retirees paid $196,517 in the form of premiums which funded current medical claims.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the prior three years (4.0% discount rate, and level percent of pay amortization), are as follows.

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
09/30/2015	$ 669,956	$ 524,154	78.2%	$ 1,066,510
09/30/2016	675,788	842,706	124.7%	899,592
09/30/2017	683,880	125,215	18.3%	1,458,257

IV. OTHER INFORMATION (Continued)

I. Other Postemployment Benefits (Continued)
Funding Status and Funding Progress

Actuarial Valuation Date	01/01/2017
Actuarial accrued liability (AAL)	$ 8,321,511
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 8,321,511
Funded ratio (actuarial value of plan assets/ALL)	- %
Covered payroll (annual payroll of active employees covered by the plan)	$ 22,122,824
UAAL as a percentage of covered payroll	36.6%

Annual OPEB Cost and Net OPEB Obligation
The projection of future payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions
Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Actuarial Valuation Date	01/01/2017	01/01/2016	01/01/2015
Actuarial Cost Method	Individual Entry-Age	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level dollar, open	Level dollar, open	Level dollar, open
Remaining Amortization Period	30 years	30 years	30 years
Asset Valuation Method	Market Value	Market Value	Market Value
Actuarial Assumptions:			
Investment Rate of Return	4.0%	4.0%	4.0%
Projected Salary Increases	0.0%	0.0%	0.0%
Post-retirement benefit increase	0.0%	0.0%	0.0%
General inflation rate	2.5%	2.5%	2.5%
Health care inflation rate	7% initial 4.25% ultimate	8.5% initial 5% ultimate	8.5% initial 5% ultimate

IV. OTHER INFORMATION (Continued)

J. Supplemental Death Benefits Fund

Plan Description

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group term life insurance coverage to both current and retired employees. The City 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.

Benefits

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); retired employees are insured for $7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. 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 pre-fund retiree term life insurance during employees' entire careers.

The City's contribution to the SDBF for the years ended September 30, 2017, 2016 and 2015 were $45,908, $43,423 and $40,070, respectively, which equaled the required contributions each year.

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REQUIRED SUPPLEMENTARY INFORMATION

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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, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Taxes						
General property	$ 9,329,300	$ 9,329,300	$ 9,263,048	$ -	$ 9,263,048	$(66,252)
City sales	15,487,000	15,487,000	15,186,801	9,517	15,196,318	(290,682)
Franchise	2,778,900	2,778,900	2,855,549	-	2,855,549	76,649
Nonproperty	145,400	145,400	138,780	-	138,780	(6,620)
Licenses and permits	385,600	385,600	503,097	-	503,097	117,497
Intergovernmental	200,004	200,004	209,779	-	209,779	9,775
Charges for services	2,361,844	2,361,844	2,727,123	-	2,727,123	365,279
Fines and forfeitures	545,800	545,800	432,946	-	432,946	(112,854)
Investment income	75,000	75,000	84,858	-	84,858	9,858
Donations	25,000	25,000	14,870	-	14,870	(10,130)
Miscellaneous	171,700	171,700	275,614	-	275,614	103,914
Total revenues	31,505,548	31,505,548	31,692,465	9,517	31,701,982	196,434
EXPENDITURES						
Current:						
General government	5,604,064	5,607,084	5,408,179	(22,459)	5,385,720	221,364
Public safety	19,447,124	19,290,666	19,105,247	(95,697)	19,009,550	281,116
Streets	2,955,530	2,955,530	3,373,505	(199,922)	3,173,583	(218,053)
Sanitation	752,299	732,299	714,236	(7,544)	706,692	25,607
Community services	4,178,937	4,134,587	3,973,351	(12,400)	3,960,951	173,636
Capital outlay	422,430	840,218	1,344,674	(125,284)	1,219,390	(379,172)
Total expenditures	33,360,384	33,560,384	33,919,192	(463,306)	33,455,886	104,498
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,854,836)	(2,054,836)	(2,226,727)	472,823	(1,753,904)	300,932
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of assets	-	-	49,535	-	49,535	49,535
Transfers in	2,782,000	2,782,000	2,884,020	-	2,884,020	102,020
Transfers out	(1,533,054)	(1,533,054)	(1,533,054)	-	(1,533,054)	-
Total other financing sources (uses)	1,248,946	1,248,946	1,400,501	-	1,400,501	151,555
NET CHANGE IN FUND BALANCE	(605,890)	(805,890)	(826,226)	472,823	(353,403)	452,487
FUND BALANCE, BEGINNING	10,219,666	10,219,666	10,219,666	-	10,219,666	-
FUND BALANCE, ENDING	$ 9,613,776	$ 9,413,776	$ 9,393,440	$ 472,823	$ 9,866,263	$ 452,487

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 franchise tax 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	$ 9,517
Encumbrances from prior year not recognized for budget basis	682,797
Encumbrances from this year recognized for budget basis	(219,491)
Total adjustments between GAAP and budget basis	$ 472,823

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, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Total Pension Liability			
Service Cost	$ 3,486,523	$ 3,226,817	$ 2,979,275
Interest (on the Total Pension Liability)	8,656,254	8,473,364	8,161,413
Change in Benefit Terms, including Substantively Automatic Status	-	-	-
Difference Between Expected and Actual Experience	350,688	(618,003)	(628,326)
Changes of Assumptions	-	2,493,834	-
Benefit Payments, including Refunds of Employee Contributions	(6,769,128)	(6,257,098)	(6,102,278)
Net Change in Total Pension Liability	5,724,337	7,318,914	4,410,084
Total Pension Liability - Beginning	129,882,107	122,563,193	118,153,109
Total Pension Liability - Ending (a)	$ 135,606,444	$ 129,882,107	$ 122,563,193
Plan Fiduciary Net Position			
Contributions - Employer	$ 2,940,094	$ 2,904,162	$ 2,921,484
Contributions - Employee	1,548,582	1,477,221	1,420,534
Net Investment Income	7,443,517	165,252	6,158,745
Benefit Payments, including Refunds of Employee Contributions	(6,769,128)	(6,257,098)	(6,102,278)
Administrative Expense	(84,096)	(100,658)	(64,305)
Other	(4,531)	(4,972)	(5,287)
Net Change in Plan Fiduciary Net Positon	5,074,438	(1,816,093)	4,328,893
Plan Fiduciary Net Position - Beginning	110,180,630	111,996,723	107,667,830
Plan Fiduciary Net Position - Ending (b)	$ 115,255,068	$ 110,180,630	$ 111,996,723
Net Pension Liability (Asset) - ending (a) - (b)	$ 20,351,376	$ 19,701,477	$ 10,566,470
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.99%	84.83%	91.38%
Covered Employee Payroll	$ 22,122,605	$ 21,118,153	$ 20,293,345
Net Pension Liability (Asset) as a Percentage of Covered Payroll	91.99%	93.29%	52.07%

GASB 68 requires 10 fiscal years of data to be provided in this schedule. Additional years will be displayed as they become available.

CITY OF SHERMAN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS

	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015
Actuarially Determined Contribution	$ 3,198,051	$ 2,911,816	$ 2,883,283
Contributions in Relation to the Actuarially Determined Contribution	3,198,051	2,911,816	2,883,283
Contribution Deficiency (Excess)	$ -	$ -	$ -
Covered Employee Payroll	$ 22,954,410	$ 21,711,800	$ 20,725,423
Contributions as a Percentage of Covered Employee Payroll	13.93%	13.41%	13.91%

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	29 years
Asset Valuation Method	10 year smoothed market; 15% soft corridor
Inflation	2.5%
Salary Increases	3.5% to 10.5%, 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 2015 valuation pursuant to an experience study of the period 2010-2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

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.

CITY OF SHERMAN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
POST-RETIREMENT HEALTH CARE BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded (AAL) (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/2013	$ -	$ 7,310,453	- %	$ 7,310,453	$ 19,910,782	36.7%
01/01/2015	-	7,985,358	- %	7,985,358	20,725,403	38.5%
01/01/2017	-	8,321,511	- %	8,321,511	22,122,824	37.6%

CITY OF SHERMAN, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
POST-RETIREMENT HEALTH CARE BENEFIT PLAN
SCHEDULE OF CONTRIBUTIONS

Year Ended September 30,	Annual Required Contribution	Percentage Contributed
2015	$ 685,335	76.4%
2016	685,335	123.0%
2017	698,906	17.9%

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES AND OTHER SUPPLEMENTARY INFORMATION

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GENERAL FUND

The ***General Fund*** is used to account for all financial resources except those required to be reported in another fund.

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Taxes:						
General property taxes:						
Current and delinquent taxes revenue	$ 9,241,200	$ 9,241,200	$ 9,185,609	$ -	$ 9,185,609	$(55,591)
Penalty and interest	87,100	87,100	76,949	-	76,949	(10,151)
Abatement	1,000	1,000	490	-	490	(510)
Total general property taxes	9,329,300	9,329,300	9,263,048	-	9,263,048	(66,252)
City sales tax	15,487,000	15,487,000	15,186,801	9,517	15,196,318	(290,682)
Franchise taxes:						
Electric	1,888,000	1,888,000	1,917,452	-	1,917,452	29,452
Telephone	111,100	111,100	134,287	-	134,287	23,187
Gas franchise	451,000	451,000	505,326	-	505,326	54,326
Cable television	328,800	328,800	298,484	-	298,484	(30,316)
Total franchise taxes	2,778,900	2,778,900	2,855,549	-	2,855,549	76,649
Nonproperty taxes	145,400	145,400	138,780	-	138,780	(6,620)
Total taxes	27,740,600	27,740,600	27,444,178	9,517	27,453,695	(286,905)
Licenses and permits:						
Building permit fees	150,000	150,000	214,502	-	214,502	64,502
Electrical, heating and air permits	33,500	33,500	43,751	-	43,751	10,251
Plumbing permits	60,000	60,000	62,758	-	62,758	2,758
Residential and sanitation permits	135,100	135,100	174,046	-	174,046	38,946
Garage and other permits	7,000	7,000	8,040	-	8,040	1,040
Total licenses and permits	385,600	385,600	503,097	-	503,097	117,497
Intergovernmental:						
Miscellaneous	200,004	200,004	209,779	-	209,779	9,775
Total intergovernmental	200,004	200,004	209,779	-	209,779	9,775
Charges for services:						
Current services and charges:						
Utility paving cuts	167,444	167,444	136,700	-	136,700	(30,744)
Ambulance service	1,250,000	1,250,000	1,684,207	-	1,684,207	434,207
County fire fighting service	111,300	111,300	112,036	-	112,036	736
County ambulance service	108,000	108,000	113,575	-	113,575	5,575
Pound fees	150,000	150,000	105,684	-	105,684	(44,316)
Other	35,000	35,000	33,309	-	33,309	(1,691)
Total current services and charges	1,821,744	1,821,744	2,185,511	-	2,185,511	363,767

(continued)

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND REVENUES AND OTHER FINANCING SOURCES (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services: (Continued)						
Recreation:						
Recreation	$ 28,000	$ 28,000	$ 20,508	$ -	$ 20,508	$(7,492)
Swimming pools	200,000	200,000	165,761	-	165,761	(34,239)
Pool concession sales	28,000	28,000	31,494	-	31,494	3,494
Special programs	100,000	100,000	109,996	-	109,996	9,996
Total recreation	356,000	356,000	327,759	-	327,759	(28,241)
Property use:						
Vending machine lease	1,000	1,000	1,092	-	1,092	92
Rentals	35,300	35,300	26,966	-	26,966	(8,334)
Total property use	36,300	36,300	28,058	-	28,058	(8,242)
Cemetery sales and services:						
Lot sales	35,100	35,100	88,970	-	88,970	53,870
Interments	100,000	100,000	89,175	-	89,175	(10,825)
Other services	12,700	12,700	7,650	-	7,650	(5,050)
Total cemetery sales and services	147,800	147,800	185,795	-	185,795	37,995
Total charges for services	2,361,844	2,361,844	2,727,123	-	2,727,123	365,279
Fines and forfeitures:						
Corporation court fines	486,000	486,000	368,764	-	368,764	(117,236)
Parking fees	10,000	10,000	12,187	-	12,187	2,187
Library fees	11,000	11,000	6,504	-	6,504	(4,496)
Fees for collection of state fines	10,000	10,000	10,992	-	10,992	992
Abandoned vehicles	3,000	3,000	5,119	-	5,119	2,119
Other	25,800	25,800	29,380	-	29,380	3,580
Total fines and forfeitures	545,800	545,800	432,946	-	432,946	(112,854)
Interest and miscellaneous:						
Investment income	75,000	75,000	84,858	-	84,858	9,858
Donations	25,000	25,000	14,870	-	14,870	(10,130)
Miscellaneous	171,700	171,700	275,614	-	275,614	103,914
Total interest and miscellaneous	271,700	271,700	375,342	-	375,342	103,642
Other financing sources:						
Proceeds from sale of assets	-	-	49,535	-	49,535	49,535
Transfers in	2,782,000	2,782,000	2,884,020	-	2,884,020	102,020
Total other financing sources	2,782,000	2,782,000	2,933,555	-	2,933,555	151,555
Total revenues and other financing sources	$ 34,287,548	$ 34,287,548	$ 34,626,020	$ 9,517	$ 34,635,537	$ 347,989

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
EXPENDITURES						
General government:						
Mayor and City Council:						
Personnel services	$ 11,000	$ 11,000	$ 10,275	$ -	$ 10,275	$ 725
Supplies	9,300	9,300	12,863	-	12,863	(3,563)
Other services and charges	108,140	108,140	113,185	-	113,185	(5,045)
Total Mayor and City Council	128,440	128,440	136,323	-	136,323	(7,883)
Management services:						
Personnel services	708,936	708,936	711,796	-	711,796	(2,860)
Supplies	21,479	21,479	24,500	-	24,500	(3,021)
Other services and charges	53,455	53,455	45,880	-	45,880	7,575
Total management services	783,870	783,870	782,176	-	782,176	1,694
Public records:						
Personnel services	145,641	142,841	121,694	-	121,694	21,147
Supplies	17,150	19,950	17,378	-	17,378	2,572
Other services and charges	42,330	42,330	40,556	-	40,556	1,774
Total public records	205,121	205,121	179,628	-	179,628	25,493
Legal services:						
Personnel services	52,922	52,922	54,586	-	54,586	(1,664)
Supplies	11,300	11,300	7,846	-	7,846	3,454
Other services and charges	154,620	154,620	155,714	-	155,714	(1,094)
Total legal services	218,842	218,842	218,146	-	218,146	696
Financial services:						
Personnel services	591,118	591,118	599,911	-	599,911	(8,793)
Supplies	14,300	14,300	13,791	(724)	13,067	1,233
Other services and charges	70,158	70,158	54,605	-	54,605	15,553
Total financial services	675,576	675,576	668,307	(724)	667,583	7,993
Human resources:						
Personnel services	323,538	323,538	324,785	-	324,785	(1,247)
Supplies	17,700	25,620	21,659	-	21,659	3,961
Other services and charges	149,422	144,522	161,007	-	161,007	(16,485)
Capital outlay	11,645	8,625	-	-	-	8,625
Total human resources	502,305	502,305	507,451	-	507,451	(5,146)
Engineering services:						
Personnel services	$ 754,086	$ 754,086	$ 689,657	$ -	$ 689,657	$ 64,429
Supplies	10,350	10,350	11,730	(4,195)	7,535	2,815
Other services and charges	129,181	129,181	95,119	(2,080)	93,039	36,142
Total engineering services	893,617	893,617	796,506	(6,275)	790,231	103,386

(continued)

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP	Adjustment Budget	Actual Budget	Final Budget
	Original	Final	Basis	Basis	Basis	Variance
EXPENDITURES (Continued)						
General government: (Continued)						
Public buildings maintenance:						
Personnel services	541,028	541,028	523,365	-	523,365	17,663
Supplies	28,900	28,900	30,817	-	30,817	(1,917)
Other services and charges	148,120	148,120	161,783	-	161,783	(13,663)
Capital outlay	59,351	59,351	13,638	-	13,638	45,713
Total public buildings maintenance	777,399	777,399	729,603	-	729,603	47,796
Nondepartmental:						
Personnel services	440,100	440,100	343,751	-	343,751	96,349
Supplies	33,950	33,950	46,588	(15,460)	31,128	2,822
Other services and charges	1,015,840	1,015,840	1,013,338	-	1,013,338	2,502
Capital outlay	-	200,000	665,402	-	665,402	(465,402)
Total nondepartmental	1,489,890	1,689,890	2,069,079	(15,460)	2,053,619	(363,729)
Total general government	5,675,060	5,875,060	6,087,219	(22,459)	6,064,760	(189,700)
Public safety:						
Law enforcement services:						
Personnel services	6,591,153	6,591,153	6,442,102	-	6,442,102	149,051
Supplies	341,500	256,846	283,831	(17,551)	266,280	(9,434)
Other services and charges	688,121	690,532	704,913	-	704,913	(14,381)
Capital outlay	-	110,071	161,726	(51,655)	110,071	-
Total law enforcement services	7,620,774	7,648,602	7,592,572	(69,206)	7,523,366	125,236
Fire and ambulance services:						
Personnel services	7,575,215	7,575,215	7,659,687	-	7,659,687	(84,472)
Supplies	499,874	575,674	511,024	(72,541)	438,483	137,191
Other services and charges	1,019,540	921,275	981,062	14,155	995,217	(73,942)
Capital outlay	125,984	148,449	203,876	(77,538)	126,338	22,111
Total fire and ambulance services	9,220,613	9,220,613	9,355,649	(135,924)	9,219,725	888
Fire administrative support:						
Personnel services	$ 65,741	$ 65,741	$ 87,055	$ -	$ 87,055	$(21,314)
Total fire administrative support	65,741	65,741	87,055	-	87,055	(21,314)
Public safety support:						
Personnel services	1,315,114	1,315,114	1,251,567	-	1,251,567	63,547
Supplies	121,420	117,720	117,531	(1,207)	116,324	1,396
Other services and charges	354,636	306,586	259,839	(11,842)	247,997	58,589
Capital outlay	53,000	76,922	50,858	5,600	56,458	20,464
Total public safety support	1,844,170	1,816,342	1,679,795	(7,449)	1,672,346	143,996

(continued)

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
EXPENDITURES (Continued)						
Public safety: (Continued)						
Building and zoning:						
Personnel services	520,349	520,349	521,699	-	521,699	(1,350)
Supplies	15,850	15,850	11,877	-	11,877	3,973
Other services and charges	53,194	53,194	50,733	-	50,733	2,461
Total building and zoning	589,393	589,393	584,309	-	584,309	5,084
Judicial services:						
Personnel services	106,815	106,815	106,443	-	106,443	372
Supplies	10,100	10,100	9,184	-	9,184	916
Other services and charges	62,259	62,259	52,610	-	52,610	9,649
Total judicial services	179,174	179,174	168,237	-	168,237	10,937
Emergency management:						
Supplies	44,300	44,300	7,288	(6,711)	577	43,723
Other services and charges	61,943	61,943	46,802	-	46,802	15,141
Capital outlay	62,000	62,000	51,142	(1,691)	49,451	12,549
Total emergency management	168,243	168,243	105,232	(8,402)	96,830	71,413
Total public safety	19,688,108	19,688,108	19,572,849	(220,981)	19,351,868	336,240
Streets:						
Streets maintenance:						
Personnel services	1,185,486	1,185,486	1,150,950	-	1,150,950	34,536
Supplies	28,750	28,750	36,139	-	36,139	(7,389)
Other services and charges	1,030,595	1,030,595	1,425,956	(192,493)	1,233,463	(202,868)
Capital outlay	-	-	10,187	-	10,187	(10,187)
Total streets maintenance	2,244,831	2,244,831	2,623,232	(192,493)	2,430,739	(185,908)
Stormwater services:						
Other services and charges	8,004	8,004	4,148	-	4,148	3,856
Total stormwater services	8,004	8,004	4,148	-	4,148	3,856
Environmental code services:						
Personnel services	139,562	139,562	201,436	-	201,436	(61,874)
Supplies	21,258	21,258	12,923	(7,429)	5,494	15,764
Other services and charges	137,968	137,968	147,947	-	147,947	(9,979)
Total environmental code services	298,788	298,788	362,306	(7,429)	354,877	(56,089)
Traffic operations:						
Personnel services	201,900	201,900	203,058	-	203,058	(1,158)
Supplies	25,800	25,800	25,372	-	25,372	428
Other services and charges	176,207	176,207	159,726	-	159,726	16,481
Capital outlay	-	-	5,850	-	5,850	(5,850)
Total traffic operations	403,907	403,907	394,006	-	394,006	9,901
Total streets	2,955,530	2,955,530	3,383,692	(199,922)	3,183,770	(228,240)

(continued)

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP	Adjustment Budget	Actual Budget	Final Budget
	Original	Final	Basis	Basis	Basis	Variance
EXPENDITURES (Continued)						
Sanitation:						
Animal control:						
Personnel services	$ 497,813	$ 497,813	$ 502,477	$ -	$ 502,477	$(4,664)
Supplies	47,308	47,308	39,019	-	39,019	8,289
Other services and charges	207,178	187,178	172,740	(7,544)	165,196	21,982
Capital outlay	25,000	45,000	76,773	-	76,773	(31,773)
Total animal control	777,299	777,299	791,009	(7,544)	783,465	(6,166)
Total sanitation	777,299	777,299	791,009	(7,544)	783,465	(6,166)
Community services:						
Cemetery services:						
Personnel services	382,262	382,262	427,527	-	427,527	(45,265)
Supplies	20,201	20,201	21,561	-	21,561	(1,360)
Other services and charges	82,680	82,680	85,717	-	85,717	(3,037)
Capital outlay	49,700	49,700	47,478	-	47,478	2,222
Total cemetery services	534,843	534,843	582,283	-	582,283	(47,440)
Parks and recreation:						
Personnel services	458,506	458,506	404,549	-	404,549	53,957
Supplies	36,430	36,430	37,385	(1,676)	35,709	721
Other services and charges	178,855	178,855	157,308	-	157,308	21,547
Capital outlay	5,000	5,000	-	-	-	5,000
Total parks and recreation	678,791	678,791	599,242	(1,676)	597,566	81,225
Parks maintenance:						
Personnel services	864,110	864,110	897,234	-	897,234	(33,124)
Supplies	105,327	75,352	71,569	-	71,569	3,783
Other services and charges	476,393	473,018	485,696	-	485,696	(12,678)
Capital outlay	30,750	64,100	63,594	-	63,594	506
Total parks maintenance	1,476,580	1,476,580	1,518,093	-	1,518,093	(41,513)
Swimming pools:						
Personnel services	197,720	197,720	170,622	-	170,622	27,098
Supplies	82,700	71,700	63,531	(10,428)	53,103	18,597
Other services and charges	46,980	46,980	29,640	(296)	29,344	17,636
Total swimming pools	327,400	327,400	263,793	(10,724)	253,069	74,331
Library services:						
Personnel services	649,388	649,388	585,878	-	585,878	63,510
Supplies	70,050	72,650	71,370	-	71,370	1,280
Other services and charges	189,790	187,190	150,347	-	150,347	36,843
Total library services	909,228	909,228	807,595	-	807,595	101,633

(continued)

CITY OF SHERMAN, TEXAS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND EXPENDITURES AND OTHER FINANCING USES (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
EXPENDITURES (Continued)						
Community services: (Continued)						
Neighborhood services:						
Personnel services	$ 82,370	$ 82,370	$ 80,744	$ -	$ 80,744	$ 1,626
Supplies	3,500	3,500	3,391	-	3,391	109
Other services and charges	32,270	32,270	18,918	-	18,918	13,352
Total neighborhood services	118,140	118,140	103,053	-	103,053	15,087
Senior Citizens Center:						
Personnel services	122,123	122,123	120,431	-	120,431	1,692
Supplies	18,016	18,016	15,851	-	15,851	2,165
Other services and charges	79,266	79,266	74,082	-	74,082	5,184
Total Senior Citizens Center	219,405	219,405	210,364	-	210,364	9,041
Total community services	4,264,387	4,264,387	4,084,423	(12,400)	4,072,023	192,364
Total expenditures	33,360,384	33,560,384	33,919,192	(463,306)	33,455,886	104,498
OTHER FINANCING USES						
Transfers out	1,533,054	1,533,054	1,533,054	-	1,533,054	-
Total other financing uses	1,533,054	1,533,054	1,533,054	-	1,533,054	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 34,893,438	$ 35,093,438	$ 35,452,246	$(463,306)	$ 34,988,940	$ 104,498

GENERAL IMPROVEMENT FUND

The ***General Improvement Fund*** (a Capital Projects Fund) is used to account for projects planned as part of the City's five-year capital improvement program.

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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, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Investment income	$ 20,000	$ 20,000	$ 90,684	$ -	$ 90,684	$ 70,684
Intergovernmental	1,121,350	1,121,350	225,751	-	225,751	(895,599)
Miscellaneous	-	-	19,630	-	19,630	19,630
Total revenues	1,141,350	1,141,350	336,065	-	336,065	(805,285)
EXPENDITURES						
Capital outlay:						
Infrastructure and facility improvements	16,226,440	16,226,440	7,928,400	200,518	8,128,918	8,097,522
Debt service:						
Debt issuance costs	-	-	255,368	-	255,368	(255,368)
Total expenditures	16,226,440	16,226,440	8,183,768	200,518	8,384,286	7,842,154
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(15,085,090)	(15,085,090)	(7,847,703)	(200,518)	(8,048,221)	7,036,869
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	10,000,000	10,000,000	11,160,000	-	11,160,000	(1,160,000)
Premium on debt issuance	-	-	991,972	-	991,972	(991,972)
Transfers in	750,000	750,000	823,389	-	823,389	73,389
Total other financing sources (uses)	10,750,000	10,750,000	12,975,361	-	12,975,361	(2,225,361)
NET CHANGE IN FUND BALANCE	(4,335,090)	(4,335,090)	5,127,658	(200,518)	4,927,140	9,262,230
FUND BALANCE, BEGINNING	9,831,559	9,831,559	9,831,559	-	9,831,559	-
FUND BALANCE, ENDING	$ 5,496,469	$ 5,496,469	$ 14,959,217	$(200,518)	$ 14,758,699	$ 9,262,230

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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 expenditure 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 **-** This fund accounts for public donations through a voluntary one dollar charge on utility bills to the Parks and Recreation Improvement program, Drug Enforcement program and/or the library.

Drug Enforcement Program **-** This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Municipal Airport Fund **-** This fund accounts for the 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 telephone 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 Highway 75 and Loy Lake Road on a pay-as-you-go basis.

TIRZ #5 Construction Fund – This fund accounts for payments from infrastructure improvements within the zone 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 Highway 75 and Farm-to-Market Road 691 on a pay-as-you-go basis.

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.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt of the City.

Auditorium Bonds Sinking Fund - This fund accounts for the accumulation of resources for and the payment of Combination Tax and Hotel Occupancy Tax Revenue Bonds.

TIF #1 Debt Service Fund - This fund accumulates funds for payment of debt service associated with infrastructure improvements made in TIF Zone #1, generally located on the northwest corner of Highway 75 and Highway 82 intersections, using taxes generated by the zone.

2008 Certificates of Obligation Debt Service Fund - This fund accumulates funds for the payment of the 2008 Certificates of Obligation, originally issued at $5 million, for park and street improvements.

DEBT SERVICE FUNDS (Continued)

2009 Certificates of Obligation Debt Service Fund **-** This fund accumulates funds for the payment of the 2009 Certificates of Obligation, originally issued at $5 million. $3,650,000 of the proceeds were used for street improvements and the remainder of the proceeds were used for improvements in the Tax Reinvestment Zone #1 (Town Center).

2009A Certificates of Obligation Debt Service Fund **-** This fund accumulates funds for the payment of the 2009A Certificates of Obligation, originally issued at $3,500,000 to fund street and park improvements.

2016 Certificates of Obligation Debt Service Fund **-** This fund accumulates funds for the payment of the 2016 Certificates of Obligation, originally issued at $6,970,000 to fund public works projects.

2016 Limited Tax Notes Debt Service Fund **-** This fund accumulates funds for the payment of the 2016 Limited Tax Notes, originally issued at $1,830,000 to fund street improvements.

2017 General Obligation Refunding Bonds Debt Service Fund **-** This fund accumulates funds for the payment of the 2017 General Obligation Refunding Bonds, originally issued at $9,670,000 to advance refund other long-term debt of the City.

PERMANENT FUND

The ***Permanent Fund*** is used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the 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 SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

	Special Revenue				
	Hotel - Motel	Community Development	PRIDE Program	Drug Enforcement Program	Municipal Airport
ASSETS					
Cash	$ 111	$ 1,277	$ 55,384	$ 51,236	$ 197,815
Pooled and temporary investments	413	-	-	-	-
Receivables (net of allowances for uncollectibles):					
Intergovernmental	-	108,843	-	-	-
Accounts	128,255	-	2,995	-	4,515
Taxes	-	-	-	-	-
Due from other funds	-	-	-	155,000	-
Total assets	$ 128,779	$ 110,120	$ 58,379	$ 206,236	$ 202,330
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 6,075	$ 9,656	$ 302	$ 11,218	$ 42,366
Accrued wages payable	3,434	2,464	-	-	-
Customer deposits	16,835	-	-	-	-
Due to other funds	45,000	98,000	-	-	-
Total liabilities	71,344	110,120	302	11,218	42,366
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund balances:					
Restricted for:					
Law enforcement support	-	-	3,234	195,018	-
Airport and tourism	57,435	-	54,843	-	159,964
Infrastructure and facilities improvement	-	-	-	-	-
Debt service	-	-	-	-	-
Cemetery maintenance	-	-	-	-	-
Committed to:					
New street development	-	-	-	-	-
Total fund balances	57,435	-	58,077	195,018	159,964
Total liabilities, deferred inflows of resources and fund balances	$ 128,779	$ 110,120	$ 58,379	$ 206,236	$ 202,330

Special Revenue		Capital Projects					
Emergency 9-1-1	Court Security and Technology	Street Revolving	TIF #2 Construction	TIF #3 Construction	TIRZ #5 Construction	TIRZ #6 Construction	Regional Detention Construction
$ 187,047	$ 25,614	$ 607,471	$ 181,689	$ 57,508	$ 3,892,445	$ 3,031,179	$ 59,878
448	-	24,839	-	-	-	-	-
-	-	-	-	-	-	-	-
252	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ 187,747	$ 25,614	$ 632,310	$ 181,689	$ 57,508	$ 3,892,445	$ 3,031,179	$ 59,878
$ 2,884	$ 134	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	206,308	-	-	-	-	-
-	-	-	-	-	-	-	-
2,884	134	206,308	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
184,863	25,480	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	181,689	57,508	3,892,445	3,031,179	59,878
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	426,002	-	-	-	-	-
184,863	25,480	426,002	181,689	57,508	3,892,445	3,031,179	59,878
$ 187,747	$ 25,614	$ 632,310	$ 181,689	$ 57,508	$ 3,892,445	$ 3,031,179	$ 59,878

(continued)

CITY OF SHERMAN, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
SEPTEMBER 30, 2017

	Debt Service				
	Auditorium Bonds Sinking	TIF #1 Debt Service	2008 Certificates of Obligation	2009 Certificates of Obligation	2009A Certificates of Obligation
ASSETS					
Cash	$ 152,445	$ 355,189	$ 17,952	$ 16,355	$ 3,701
Pooled and temporary investments	-	-	-	-	-
Receivables (net of allowances for uncollectibles):					
Intergovernmental	-	-	-	-	-
Accounts	-	-	-	-	-
Taxes	-	-	260	205	165
Due from other funds	-	-	-	-	-
Total assets	$ 152,445	$ 355,189	$ 18,212	$ 16,560	$ 3,866
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 300	$ -	$ -	$ -	$ -
Accrued wages payable	-	-	-	-	-
Customer deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	300	-	-	-	-
Deferred inflows of resources:					
Unavailable revenue	-	-	109	86	69
Total deferred inflows of resources	-	-	109	86	69
Fund balances:					
Restricted for:					
Law enforcement support	-	-	-	-	-
Airport and tourism	-	-	-	-	-
Infrastructure and facilities improvement	-	-	-	-	-
Debt service	152,145	355,189	18,103	16,474	3,797
Cemetery maintenance	-	-	-	-	-
Committed to:					
New street development	-	-	-	-	-
Total fund balances	152,145	355,189	18,103	16,474	3,797
Total liabilities, deferred inflows of resources and fund balances	$ 152,445	$ 355,189	$ 18,212	$ 16,560	$ 3,866

Debt Service			Permanent	
2016 Certificates of Obligation	2016 Tax Notes	2017 Refunding Bonds	Perpetual Care Cemetery and Mausoleum	Total Nonmajor Governmental Funds
$ 119	$ 1,304	$ 803	$ 2,309	$ 8,898,831
-	-	-	1,564,136	1,589,836
-	-	-	-	108,843
-	-	-	16,875	152,892
14,816	-	8,265	-	23,711
-	-	-	-	155,000
$ 14,935	$ 1,304	$ 9,068	$ 1,583,320	$ 10,929,113
$ -	$ -	$ -	$ -	$ 72,935
-	-	-	-	5,898
-	-	-	-	223,143
8,000	-	4,000	-	155,000
8,000	-	4,000	-	456,976
6,200	-	3,458	-	9,922
6,200	-	3,458	-	9,922
-	-	-	-	408,595
-	-	-	-	272,242
-	-	-	-	7,222,699
735	1,304	1,610	-	549,357
-	-	-	1,583,320	1,583,320
-	-	-	-	426,002
735	1,304	1,610	1,583,320	10,462,215
$ 14,935	$ 1,304	$ 9,068	$ 1,583,320	$ 10,929,113

CITY OF SHERMAN, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED SEPTEMBER 30, 2017

	Special Revenue				
	Hotel - Motel	Community Development	PRIDE Program	Drug Enforcement Program	Municipal Airport
REVENUES					
General property taxes	$ -	$ -	$ -	$ -	$ -
Nonproperty taxes	496,082	-	-	-	-
Intergovernmental	-	326,425	-	-	-
Charges for services	56,371	-	-	-	355,225
Fines and forfeitures	-	-	-	268,302	-
Investment income (loss)	1,876	-	430	1,624	2,077
Donations	-	-	38,287	-	-
Perpetual care contracts	-	-	-	-	-
Miscellaneous	26,592	-	-	-	-
Total revenues	580,921	326,425	38,717	269,926	357,302
EXPENDITURES					
Current:					
Public safety	-	-	9,533	47,530	-
Community services	595,696	-	8,497	-	376,787
Community development	-	315,681	-	-	-
Capital outlay	6,775	-	-	30,930	8,500
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Debt issuance costs and agent fees	-	-	-	-	-
Total expenditures	602,471	315,681	18,030	78,460	385,287
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(21,550)	10,744	20,687	191,466	(27,985)
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of debt	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Premium on debt issuance	-	-	-	-	-
Payment to refunding escrow agent	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	1,978
Transfers in	-	-	-	-	-
Transfers out	(114,000)	(102,020)	-	-	-
Total other financing sources (uses)	(114,000)	(102,020)	-	-	1,978
NET CHANGE IN FUND BALANCES	(135,550)	(91,276)	20,687	191,466	(26,007)
FUND BALANCES, BEGINNING	192,985	91,276	37,390	3,552	185,971
FUND BALANCES, ENDING	$ 57,435	$ -	$ 58,077	$ 195,018	$ 159,964

Special Revenue		Capital Projects					
Emergency 9-1-1	Court Security and Technology	Street Revolving	TIF #2 Construction	TIF #3 Construction	TIRZ #5 Construction	TIRZ #6 Construction	Regional Detention Construction
$ -	$ -	$ -	$ 87,515	$ 149,655	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
303,482	-	-	-	-	-	-	59,878
-	24,759	-	-	-	-	-	-
1,733	-	3,861	-	-	18,160	14,171	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
305,215	24,759	3,861	87,515	149,655	18,160	14,171	59,878
245,144	1,788	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	600	12,600	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	25,115	20,392	-
245,144	1,788	-	-	-	25,715	32,992	-
60,071	22,971	3,861	87,515	149,655	(7,555)	(18,821)	59,878
-	-	-	-	-	3,900,000	3,050,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(105,000)	-	-	-
-	-	-	-	(105,000)	3,900,000	3,050,000	-
60,071	22,971	3,861	87,515	44,655	3,892,445	3,031,179	59,878
124,792	2,509	422,141	94,174	12,853	-	-	-
$ 184,863	$ 25,480	$ 426,002	$ 181,689	$ 57,508	$ 3,892,445	$ 3,031,179	$ 59,878

(continued)

CITY OF SHERMAN, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	Debt Service				
	Auditorium Bonds Sinking	TIF #1 Debt Service	2008 Certificates of Obligation	2009 Certificates of Obligation	2009A Certificates of Obligation
REVENUES					
General property taxes	$ -	$ 279,847	$ 346,366	$ 291,366	$ 236,366
Nonproperty taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment income (loss)	1,307	-	-	-	-
Donations	-	-	-	-	-
Perpetual care contracts	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	1,307	279,847	346,366	291,366	236,366
EXPENDITURES					
Current:					
Public safety	-	-	-	-	-
Community services	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	65,000	230,000	235,000	185,000	150,000
Interest	46,714	88,101	105,329	100,759	84,642
Debt issuance costs and agent fees	300	200	-	750	750
Total expenditures	112,014	318,301	340,329	286,509	235,392
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(110,707)	(38,454)	6,037	4,857	974
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of debt	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Premium on debt issuance	-	-	-	-	-
Payment to refunding escrow agent	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Transfers in	114,000	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	114,000	-	-	-	-
NET CHANGE IN FUND BALANCES	3,293	(38,454)	6,037	4,857	974
FUND BALANCES, BEGINNING	148,852	393,643	12,066	11,617	2,823
FUND BALANCES, ENDING	$ 152,145	$ 355,189	$ 18,103	$ 16,474	$ 3,797

Debt Service			Permanent	
2016 Certificates of Obligation	2016 Tax Notes	2017 Refunding Bonds	Perpetual Care Cemetery and Mausoleum	Total Nonmajor Governmental Funds
$ 180,000	$ -	$ 46,902	$ -	$ 1,618,017
-	376,000	-	-	872,082
-	-	-	-	326,425
-	-	-	-	774,956
-	-	-	-	293,061
-	-	-	128,827	174,066
-	-	-	-	38,287
-	-	-	8,000	8,000
-	-	-	-	26,592
180,000	376,000	46,902	136,827	4,131,486
-	-	-	-	303,995
-	-	-	-	980,980
-	-	-	-	315,681
-	-	-	-	59,405
-	435,000	-	-	1,300,000
178,515	44,696	46,903	-	695,659
750	-	180,396	-	228,653
179,265	479,696	227,299	-	3,884,373
735	(103,696)	(180,397)	136,827	247,113
-	-	-	-	6,950,000
-	-	9,360,000	-	9,360,000
-	-	708,869	-	708,869
-	-	(9,886,862)	-	(9,886,862)
-	-	-	-	1,978
-	105,000	-	-	219,000
-	-	-	-	(321,020)
-	105,000	182,007	-	7,031,965
735	1,304	1,610	136,827	7,279,078
-	-	-	1,446,493	3,183,137
$ 735	$ 1,304	$ 1,610	$ 1,583,320	$ 10,462,215

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Nonproperty taxes	$ 451,100	$ 451,100	$ 496,082	$ -	$ 496,082	$ 44,982
Charges for services	37,500	37,500	56,371	-	56,371	18,871
Investment income	1,500	1,500	1,876	-	1,876	376
Miscellaneous	41,000	41,000	26,592	-	26,592	(14,408)
Total revenues	531,100	531,100	580,921	-	580,921	49,821
EXPENDITURES						
Current:						
Community services						
Tourism	368,919	483,919	506,971	(324)	506,647	(22,728)
Auditorium	80,853	80,853	37,008	-	37,008	43,845
Ballroom	56,389	56,389	51,717	-	51,717	4,672
Capital outlay	-	-	6,775	-	6,775	(6,775)
Total expenditures	506,161	621,161	602,471	(324)	602,147	19,014
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	24,939	(90,061)	(21,550)	324	(21,226)	68,835
OTHER FINANCING SOURCES (USES)						
Transfers out	(114,000)	(114,000)	(114,000)	-	(114,000)	-
Total other financing sources (uses)	(114,000)	(114,000)	(114,000)	-	(114,000)	-
NET CHANGE IN FUND BALANCE	(89,061)	(204,061)	(135,550)	324	(135,226)	68,835
FUND BALANCE, BEGINNING	192,985	192,985	192,985	-	192,985	-
FUND BALANCE, ENDING	$ 103,924	$(11,076)	$ 57,435	$ 324	$ 57,759	$ 68,835

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Intergovernmental	$ 315,681	$ 315,681	$ 326,425	$ 326,425	$ 10,744
Total revenues	315,681	315,681	326,425	326,425	10,744
EXPENDITURES					
Current:					
Community development					
Administration	58,972	58,972	63,000	63,000	(4,028)
Housing rehabilitation	230,709	230,709	226,981	226,981	3,728
Public service	26,000	26,000	25,700	25,700	300
Total expenditures	315,681	315,681	315,681	315,681	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	10,744	10,744	10,744
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	(102,020)	(102,020)	102,020
Total other financing sources (uses)	-	-	(102,020)	(102,020)	(102,020)
NET CHANGE IN FUND BALANCE	-	-	(91,276)	(91,276)	(91,276)
FUND BALANCE, BEGINNING	91,276	91,276	91,276	91,276	-
FUND BALANCE, ENDING	$ 91,276	$ 91,276	$ -	$ -	$(91,276)

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income	$ 560	$ 560	$ 430	$ 430	$(130)
Donations	25,000	25,000	38,287	38,287	13,287
Total revenues	25,560	25,560	38,717	38,717	13,157
EXPENDITURES					
Current:					
Public safety					
Drug enforcement	16,700	16,700	9,533	9,533	7,167
Community services					
Park maintenance	40,000	40,000	3,580	3,580	36,420
Library materials	5,000	5,000	4,917	4,917	83
Total expenditures	61,700	61,700	18,030	18,030	43,670
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(36,140)	(36,140)	20,687	20,687	56,827
FUND BALANCE, BEGINNING	37,390	37,390	37,390	37,390	-
FUND BALANCE, ENDING	$ 1,250	$ 1,250	$ 58,077	$ 58,077	$ 56,827

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Fines and forfeitures	$ 300,000	$ 300,000	$ 268,302	$ -	$ 268,302	$(31,698)
Investment income	150	150	1,624	-	1,624	1,474
Total revenues	300,150	300,150	269,926	-	269,926	(30,224)
EXPENDITURES						
Current:						
Public safety						
Drug enforcement	313,750	313,750	47,530	(12,155)	35,375	278,375
Capital outlay	40,000	40,000	30,930	-	30,930	9,070
Total expenditures	353,750	353,750	78,460	(12,155)	66,305	287,445
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(53,600)	(53,600)	191,466	12,155	203,621	257,221
FUND BALANCE, BEGINNING	3,552	3,552	3,552	-	3,552	-
FUND BALANCE, ENDING	$(50,048)	$(50,048)	$ 195,018	$ 12,155	$ 207,173	$ 257,221

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income	$ 1,000	$ 1,000	$ 2,077	$ 2,077	$ 1,077
Airport rentals	49,000	49,000	50,025	50,025	1,025
Fuel sales	347,000	347,000	305,200	305,200	(41,800)
Total revenues	397,000	397,000	357,302	357,302	(39,698)
EXPENDITURES					
Current:					
Community services					
Airport operation	388,149	388,149	376,787	376,787	11,362
Capital outlay	50,000	50,000	8,500	8,500	41,500
Total expenditures	438,149	438,149	385,287	385,287	52,862
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(41,149)	(41,149)	(27,985)	(27,985)	13,164
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of assets	-	-	1,978	1,978	1,978
Total other financing sources (uses)	-	-	1,978	1,978	(1,978)
NET CHANGE IN FUND BALANCE	(41,149)	(41,149)	(26,007)	(26,007)	11,186
FUND BALANCE, BEGINNING	185,971	185,971	185,971	185,971	-
FUND BALANCE, ENDING	$ 144,822	$ 144,822	$ 159,964	$ 159,964	$ 11,186

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Adjustment Budget Basis	Actual Budget Basis	Final Budget Variance
	Original	Final				
REVENUES						
Charges for services	$ 320,000	$ 320,000	$ 303,482	$ -	$ 303,482	$(16,518)
Investment income	900	900	1,733	-	1,733	833
Total revenues	320,900	320,900	305,215	-	305,215	(15,685)
EXPENDITURES						
Current:						
Public safety						
Emergency 9-1-1 services	282,217	282,217	245,144	(4,500)	240,644	41,573
Total expenditures	282,217	282,217	245,144	(4,500)	240,644	41,573
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	38,683	38,683	60,071	4,500	64,571	25,888
FUND BALANCE, BEGINNING	124,792	124,792	124,792	-	124,792	-
FUND BALANCE, ENDING	$ 163,475	$ 163,475	$ 184,863	$ 4,500	$ 189,363	$ 25,888

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Fines and forfeitures	$ 23,000	$ 23,000	$ 24,759	$ 24,759	$ 1,759
Total revenues	23,000	23,000	24,759	24,759	1,759
EXPENDITURES					
Current:					
Public safety					
Security	20,000	20,000	-	-	20,000
Technology	1,960	1,960	1,788	1,788	172
Total expenditures	21,960	21,960	1,788	1,788	20,172
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,040	1,040	22,971	22,971	21,931
FUND BALANCE, BEGINNING	2,509	2,509	2,509	2,509	-
FUND BALANCE, ENDING	$ 3,549	$ 3,549	$ 25,480	$ 25,480	$ 21,931

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 82,565	$ 82,565	$ 87,515	$ 87,515	$ 4,950
Investment income	300	300	-	-	(300)
Total revenues	82,865	82,865	87,515	87,515	4,650
EXPENDITURES					
Capital outlay	170,000	170,000	-	-	170,000
Total expenditures	170,000	170,000	-	-	170,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(87,135)	(87,135)	87,515	87,515	174,650
FUND BALANCE, BEGINNING	94,174	94,174	94,174	94,174	-
FUND BALANCE, ENDING	$ 7,039	$ 7,039	$ 181,689	$ 181,689	$ 174,650

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 141,191	$ 141,191	$ 149,655	$ 149,655	$ 8,464
Investment income	250	250	-	-	(250)
Total revenues	141,441	141,441	149,655	149,655	8,214
EXPENDITURES	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	141,441	141,441	149,655	149,655	8,214
OTHER FINANCING SOURCES (USES)					
Transfers out	(135,000)	(135,000)	(105,000)	(105,000)	(30,000)
Total other financing sources (uses)	(135,000)	(135,000)	(105,000)	(105,000)	30,000
NET CHANGE IN FUND BALANCE	6,441	6,441	44,655	44,655	38,214
FUND BALANCE, BEGINNING	12,853	12,853	12,853	12,853	-
FUND BALANCE, ENDING	$ 19,294	$ 19,294	$ 57,508	$ 57,508	$ 38,214

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income	$ -	$ -	$ 18,160	$ 18,160	$ 18,160
Total revenues	-	-	18,160	18,160	18,160
EXPENDITURES					
Capital outlay	-	200,000	600	600	199,400
Debt service:					
Debt issuance costs	-	30,000	25,115	-	30,000
Total expenditures	-	230,000	25,715	600	229,400
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(230,000)	(7,555)	17,560	247,560
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	3,900,000	3,900,000	-	(3,900,000)
Total other financing sources (uses)	-	3,900,000	3,900,000	-	(3,900,000)
NET CHANGE IN FUND BALANCE	-	3,670,000	3,892,445	17,560	(3,652,440)
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ -	$ 3,670,000	$ 3,892,445	$ 17,560	$(3,652,440)

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income	$ -	$ -	$ 14,171	$ 14,171	$ 14,171
Total revenues	-	-	14,171	14,171	14,171
EXPENDITURES					
Capital outlay	-	29,000	12,600	12,600	16,400
Debt service:					
Bond issuance costs	-	21,000	20,392	20,392	608
Total expenditures	-	50,000	32,992	32,992	17,008
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(50,000)	(18,821)	(18,821)	31,179
OTHER FINANCING SOURCES (USES)					
Proceeds from debt issuance	-	3,100,000	3,050,000	3,050,000	(50,000)
Total other financing sources (uses)	-	3,100,000	3,050,000	3,050,000	(50,000)
NET CHANGE IN FUND BALANCE	-	3,050,000	3,031,179	3,031,179	(18,821)
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ -	$ 3,050,000	$ 3,031,179	$ 3,031,179	$(18,821)

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Charges for services	$ -	$ -	$ 59,878	$ 59,878	$ 59,878
Total revenues	-	-	59,878	59,878	59,878
EXPENDITURES	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	59,878	59,878	59,878
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ -	$ -	$ 59,878	$ 59,878	$ 59,878

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUDITORIUM BONDS SINKING FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income	$ 700	$ 700	$ 1,307	$ 1,307	$ 607
Total revenues	700	700	1,307	1,307	607
EXPENDITURES					
Debt service:					
Principal	65,000	65,000	65,000	65,000	-
Interest	48,745	48,745	46,714	46,714	2,031
Agent fees	1,050	1,050	300	300	750
Total expenditures	114,795	114,795	112,014	112,014	2,781
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(114,095)	(114,095)	(110,707)	(110,707)	3,388
OTHER FINANCING SOURCES (USES)					
Transfers in	114,000	114,000	114,000	114,000	-
Total other financing sources (uses)	114,000	114,000	114,000	114,000	-
NET CHANGE IN FUND BALANCE	(95)	(95)	3,293	3,293	3,388
FUND BALANCE, BEGINNING	148,852	148,852	148,852	148,852	-
FUND BALANCE, ENDING	$ 148,757	$ 148,757	$ 152,145	$ 152,145	$ 3,388

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TIF #1 DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 264,020	$ 264,020	$ 279,847	$ 279,847	$ 15,827
Investment income	400	400	-	-	(400)
Total revenues	264,420	264,420	279,847	279,847	15,427
EXPENDITURES					
Debt service:					
Principal	230,000	230,000	230,000	230,000	-
Interest	88,102	88,102	88,101	88,101	1
Agent fees	200	200	200	200	-
Total expenditures	318,302	318,302	318,301	318,301	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(53,882)	(53,882)	(38,454)	(38,454)	15,428
FUND BALANCE, BEGINNING	393,643	393,643	393,643	393,643	-
FUND BALANCE, ENDING	$ 339,761	$ 339,761	$ 355,189	$ 355,189	$ 15,428

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2008 CERTIFICATES OF OBLIGATION DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 362,000	$ 362,000	$ 346,366	$ 346,366	$(15,634)
Total revenues	362,000	362,000	346,366	346,366	(15,634)
EXPENDITURES					
Debt service:					
Principal	235,000	235,000	235,000	235,000	-
Interest	126,067	126,067	105,329	105,329	20,738
Agent fees	750	750	-	-	750
Total expenditures	361,817	361,817	340,329	340,329	21,488
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	183	183	6,037	6,037	5,854
FUND BALANCE, BEGINNING	12,066	12,066	12,066	12,066	-
FUND BALANCE, ENDING	$ 12,249	$ 12,249	$ 18,103	$ 18,103	$ 5,854

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2009 CERTIFICATES OF OBLIGATION DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 307,000	$ 307,000	$ 291,366	$ 291,366	$(15,634)
Total revenues	307,000	307,000	291,366	291,366	(15,634)
EXPENDITURES					
Debt service:					
Principal	185,000	185,000	185,000	185,000	-
Interest	121,327	121,327	100,759	100,759	20,568
Agent fees	750	750	750	750	-
Total expenditures	307,077	307,077	286,509	286,509	20,568
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(77)	(77)	4,857	4,857	4,934
FUND BALANCE, BEGINNING	11,617	11,617	11,617	11,617	-
FUND BALANCE, ENDING	$ 11,540	$ 11,540	$ 16,474	$ 16,474	$ 4,934

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2009A CERTIFICATES OF OBLIGATION DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 252,000	$ 252,000	$ 236,366	$ 236,366	$(15,634)
Total revenues	252,000	252,000	236,366	236,366	(15,634)
EXPENDITURES					
Debt service:					
Principal	150,000	150,000	150,000	150,000	-
Interest	101,363	101,363	84,642	84,642	16,721
Agent fees	750	750	750	750	-
Total expenditures	252,113	252,113	235,392	235,392	16,721
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(113)	(113)	974	974	1,087
FUND BALANCE, BEGINNING	2,823	2,823	2,823	2,823	-
FUND BALANCE, ENDING	$ 2,710	$ 2,710	$ 3,797	$ 3,797	$ 1,087

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2016 CERTIFICATES OF OBLIGATION DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ 180,000	$ 180,000	$ 180,000	$ 180,000	$ -
Total revenues	180,000	180,000	180,000	180,000	-
EXPENDITURES					
Debt service:					
Interest	178,516	178,516	178,515	178,515	1
Agent fees	750	750	750	750	-
Total expenditures	179,266	179,266	179,265	179,265	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	734	734	735	735	1
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ 734	$ 734	$ 735	$ 735	$ 1

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2016 TAX NOTES DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Sales taxes	$ 376,000	$ 376,000	$ 376,000	$ 376,000	$ -
Total revenues	376,000	376,000	376,000	376,000	-
EXPENDITURES					
Debt service:					
Principal	435,000	435,000	435,000	435,000	-
Interest	44,697	44,697	44,696	44,696	1
Agent fees	750	750	-	-	750
Total expenditures	480,447	480,447	479,696	479,696	751
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(104,447)	(104,447)	(103,696)	(103,696)	751
OTHER FINANCING SOURCES (USES)					
Transfers in	135,000	135,000	105,000	105,000	(30,000)
Total other financing sources (uses)	135,000	135,000	105,000	105,000	(30,000)
NET CHANGE IN FUND BALANCE	30,553	30,553	1,304	1,304	(29,249)
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ 30,553	$ 30,553	$ 1,304	$ 1,304	$(29,249)

CITY OF SHERMAN, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
2017 REFUNDING BONDS DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Property taxes	$ -	$ 47,000	$ 46,902	$ 46,902	$(98)
Total revenues	-	47,000	46,902	46,902	(98)
EXPENDITURES					
Debt service:					
Interest	-	47,000	46,903	46,903	97
Bond issuance costs	-	-	180,396	180,396	(180,396)
Total expenditures	-	47,000	227,299	227,299	(180,299)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(180,397)	(180,397)	(180,397)
OTHER FINANCING SOURCES (USES)					
Refunding bonds issued	-	-	9,360,000	9,360,000	9,360,000
Premium on debt issuance	-	-	708,869	708,869	708,869
Payment to refunding escrow agent	-	-	(9,886,862)	(9,886,862)	(9,886,862)
Total other financing sources (uses)	-	-	182,007	182,007	182,007
NET CHANGE IN FUND BALANCE	-	-	1,610	1,610	1,610
FUND BALANCE, BEGINNING	-	-	-	-	-
FUND BALANCE, ENDING	$ -	$ -	$ 1,610	$ 1,610	$ 1,610

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, 2017

	Budgeted Amounts		Actual GAAP Basis	Actual Budget Basis	Final Budget Variance
	Original	Final			
REVENUES					
Investment income (loss)	$ 60,050	$ 60,050	$ 128,827	$ 128,827	$ 68,777
Perpetual care contracts	4,500	4,500	8,000	8,000	3,500
Total revenues	64,550	64,550	136,827	136,827	72,277
EXPENDITURES	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	64,550	64,550	136,827	136,827	72,277
FUND BALANCE, BEGINNING	1,446,493	1,446,493	1,446,493	1,446,493	-
FUND BALANCE, ENDING	$ 1,511,043	$ 1,511,043	$ 1,583,320	$ 1,583,320	$ 72,277

INTERNAL SERVICE FUNDS

Internal Service Funds are 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.

Equipment Services Fund - This fund is used to account for fleet maintenance and maintains fuel inventories for the City-owned vehicles.

Information Technology Fund - This fund is used to account for the operations of the City's centralized computer system which provides data processing to all City functions.

Insurance Fund - This fund accounts for a partially self-funded program of employees' health and dental insurance. A professional insurance administration firm was retained to process employee claims and to provide reinsurance of excess individual and group claims. This fund is funded by charges to other funds, as well as charges to employees for extended benefits at their option.

Fleet Replacement Fund - This fund is used to accumulate funds for the cost of replacing large fleet items in General, Water and Sewer, and Solid Waste Fund.

CITY OF SHERMAN, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2017

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
ASSETS					
Current:					
Cash	$ 206,354	$ 124,642	$ 8,694	$ 241,346	$ 581,036
Pooled and temporary investments	-	324	-	-	324
Receivables (net of allowances for uncollectibles):					
Accounts	-	-	165,178	-	165,178
Inventories	39,675	-	-	-	39,675
Prepaid items	-	23,667	-	-	23,667
Total current assets	246,029	148,633	173,872	241,346	809,880
Capital assets:					
Land	55,250	-	-	-	55,250
Buildings	161,421	-	-	-	161,421
Machinery and equipment	350,350	813,125	-	12,373,627	13,537,102
Other assets	-	104,450	-	-	104,450
Total capital assets	567,021	917,575	-	12,373,627	13,858,223
Accumulated depreciation	(295,238)	(685,405)	-	(4,982,719)	(5,963,362)
Capital assets, net	271,783	232,170	-	7,390,908	7,894,861
Total assets	517,812	380,803	173,872	7,632,254	8,704,741
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan - TMRS	201,273	111,930	-	-	313,203
LIABILITIES					
Current liabilities:					
Accounts payable	114,045	31,036	33,084	52,737	230,902
Due to other funds	-	-	755,000	-	755,000
Accrued wages	17,519	13,961	-	-	31,480
Claims payable	-	-	353,714	-	353,714
Unearned revenue	-	-	15,687	-	15,687
Current portion of long-term liabilities:					
Accrued compensated absences	27,898	23,785	-	-	51,683
Long-term liabilities (net of current portion):					
Net pension liability	442,154	252,857	-	-	695,011
Net OPEB obligation	29,944	18,534	-	-	48,478
Total liabilities	631,560	340,173	1,157,485	52,737	2,181,955
DEFERRED INFLOWS OF RESOURCES					
Pension plan - TMRS	13,479	7,259	-	-	20,738
NET POSITION					
Net investment in capital assets	271,783	232,170	-	7,390,908	7,894,861
Unrestricted	(197,737)	(86,869)	(983,613)	188,609	(1,079,610)
Total net position	$ 74,046	$ 145,301	$(983,613)	$ 7,579,517	$ 6,815,251

CITY OF SHERMAN, TEXAS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2017

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
OPERATING REVENUES					
Charges for services	$ 2,741,875	$ 712,024	$ 5,584,479	$ -	$ 9,038,378
Miscellaneous revenue	4,277	179	-	-	4,456
Total operating revenues	2,746,152	712,203	5,584,479	-	9,042,834
OPERATING EXPENSES					
Personnel services	734,127	457,199	-	-	1,191,326
Contractual services	274,400	63,946	5,538,897	-	5,877,243
Supplies	648,758	60,623	-	-	709,381
Maintenance and repair	1,003,661	106,791	-	-	1,110,452
Depreciation	24,309	56,616	-	1,344,037	1,424,962
Total operating expenses	2,685,255	745,175	5,538,897	1,344,037	10,313,364
OPERATING INCOME (LOSS)	60,897	(32,972)	45,582	(1,344,037)	(1,270,530)
NONOPERATING REVENUES (EXPENSES)					
Gain (loss) on sale of assets	8,055	-	-	(15,239)	(7,184)
Investment income	-	43	-	3,749	3,792
Interest expense	-	-	-	(2,811)	(2,811)
Total nonoperating revenues (expenses)	8,055	43	-	(14,301)	(6,203)
INCOME (LOSS) BEFORE TRANSFERS	68,952	(32,929)	45,582	(1,358,338)	(1,276,733)
LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	68,952	(32,929)	45,582	(1,358,338)	(1,276,733)
TRANSFERS					
Transfers in	-	-	-	1,984,205	1,984,205
Total transfers	-	-	-	1,984,205	1,984,205
CHANGE IN NET POSITION	68,952	(32,929)	45,582	625,867	707,472
NET POSITION, BEGINNING	5,094	178,230	(1,029,195)	6,953,650	6,107,779
NET POSITION, ENDING	$ 74,046	$ 145,301	$(983,613)	$ 7,579,517	$ 6,815,251

CITY OF SHERMAN, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2017

	Equipment Services	Information Technology	Insurance	Fleet Replacement	Total Governmental
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from interfund services	$ 2,746,152	$ 712,024	$ 4,438,527	$ -	$ 7,896,703
Cash received from others	-	179	1,116,693	-	1,116,872
Cash paid for supplies and materials	(2,030,711)	(300,559)	-	-	(2,331,270)
Cash paid for premiums, claims and administrative	-	-	(5,795,376)	-	(5,795,376)
Cash paid for personnel services	(574,037)	(359,131)	-	-	(933,168)
Cash paid for interfund services	(127,922)	(53,917)	-	-	(181,839)
Net cash provided (used) by operating activities	13,482	(1,404)	(240,156)	-	(228,078)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	-	-	230,000	1,984,205	2,214,205
Transfers to other funds	-	55,000	-	-	55,000
Net cash provided (used) by noncapital financing activities	-	55,000	230,000	1,984,205	2,269,205
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of assets	8,055	-	-	22,678	30,733
Acquisition of capital assets	(145,016)	(59,264)	-	(1,928,205)	(2,132,485)
Principal retirement of long-term debt	-	-	-	(162,447)	(162,447)
Interest paid on long-term debt	-	-	-	(2,811)	(2,811)
Net cash provided (used) by capital and related financing activities	(136,961)	(59,264)	-	(2,070,785)	(2,267,010)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	-	43	-	3,749	3,792
Proceeds from sale of investments	-	14,440	-	-	14,440
Net cash provided by investing activities	-	14,483	-	3,749	18,232
NET INCREASE (DECREASE) IN CASH	(123,479)	8,815	(10,156)	(82,831)	(207,651)
CASH, BEGINNING	329,833	115,827	18,850	324,177	788,687
CASH, ENDING	$ 206,354	$ 124,642	$ 8,694	$ 241,346	$ 581,036

(continued)

CITY OF SHERMAN, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (Continued)
YEAR ENDED SEPTEMBER 30, 2017

	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)	$ 60,897	$(32,972)	$ 45,582	$(1,344,037)	$(1,270,530)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	24,309	56,616	-	1,344,037	1,424,962
(Increase) decrease in:					
Accounts receivable (net)	-	-	(27,765)	-	(27,765)
Inventories	3,288	-	-	-	3,288
Prepaid items	-	(20,496)	-	-	(20,496)
Deferred outflows of resources	36,038	23,425	-	-	59,463
Increase (decrease) in :					
Accounts payable	(122,520)	(48,703)	33,084	-	(138,139)
Accrued wages payable	(10)	5,031	-	-	5,021
Estimated liability for claims	-	-	(289,563)	-	(289,563)
Unearned revenue	-	-	(1,494)	-	(1,494)
Accrued compensated absences	(5,531)	3,475	-	-	(2,056)
Net pension liability	12,998	8,449	-	-	21,447
Net OPEB obligation	9,162	7,118	-	-	16,280
Deferred inflows of resources	(5,149)	(3,347)	-	-	(8,496)
Total adjustments	(47,415)	31,568	(285,738)	1,344,037	1,042,452
Net cash provided (used) by operating activities	$ 13,482	$(1,404)	$(240,156)	$ -	$(228,078)

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STATISTICAL SECTION

Tables in the statistical section present detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the City.

	Tables
Financial Trends - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1 - 4
Revenue Capacity - These schedules contain information to help the reader assess the City's most significant revenue sources: property tax and water and sewer revenue.	5 - 14
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	15 - 19
Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	20 - 21
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	22 - 24

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TABLE 1

CITY OF SHERMAN, TEXAS
NET POSITION BY COMPONENT
(Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
Net investment in capital assets	$ 59,772	$ 61,173	$ 55,807	$ 51,954	$ 48,963	$ 46,356	$ 43,828	$ 42,771	$ 42,119	$ 42,277
Restricted	2,064	2,320	2,358	2,392	3,157	3,076	3,409	3,366	2,676	2,703
Unrestricted	9,820	4,080	5,583	6,108	6,426	6,543	8,763	4,513	646	(3,683)
Total governmental activities net position	$ 71,656	$ 67,573	$ 63,748	$ 60,454	$ 58,546	$ 55,975	$ 56,000	$ 50,650	$ 45,441	$ 41,297
Business-type activities:										
Net investment in capital assets	$ 37,169	$ 39,818	$ 38,347	$ 36,727	$ 34,442	$ 32,807	$ 31,588	$ 30,296	$ 29,071	$ 28,114
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	14,281	10,683	10,678	12,392	10,938	9,887	8,750	7,052	6,257	4,959
Total business-type activities net position	$ 51,450	$ 50,501	$ 49,025	$ 49,119	$ 45,380	$ 42,694	$ 40,338	$ 37,348	$ 35,328	$ 33,073
Primary government:										
Net investment in capital assets	$ 96,941	$ 100,991	$ 94,154	$ 88,681	$ 83,405	$ 79,163	$ 75,416	$ 73,067	$ 71,190	$ 70,391
Restricted	2,064	2,320	2,358	2,392	3,157	3,076	3,409	3,366	2,676	2,703
Unrestricted	24,101	14,763	16,261	18,500	17,364	16,430	17,513	11,565	6,903	1,276
Total primary government net position	$ 123,106	$ 118,074	$ 112,773	$ 109,573	$ 103,926	$ 98,669	$ 96,338	$ 87,998	$ 80,769	$ 74,370

CITY OF SHERMAN, TEXAS
CHANGES IN NET POSITION
(Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2008	2009	2010	2011
EXPENSES				
Governmental activities:				
General government	$ 6,237	$ 5,683	$ 6,309	$ 5,932
Public safety	16,909	17,873	17,958	18,072
Streets	5,005	5,308	4,935	6,916
Sanitation	590	639	615	631
Community services	5,382	4,833	4,965	5,228
Community development	346	320	353	348
Interest on long-term debt	325	563	760	720
Total governmental activities expenses	34,794	35,219	35,895	37,847
Business-type activities:				
Water and sewer services	17,840	18,156	18,366	19,364
Solid waste services	4,363	4,274	4,253	4,331
Total business-type activities expenses	22,203	22,430	22,619	23,695
Total primary government program expenses	$ 56,997	$ 57,649	$ 58,514	$ 61,542
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	$ 84	$ 99	$ 122	$ 205
Public safety	2,855	2,985	2,915	3,560
Streets	9	1	97	103
Sanitation	162	142	138	127
Community services	938	792	866	916
Operating grants and contributions	-	226	254	1,661
Capital grants and contributions	-	568	450	1,202
Total governmental activities program revenues	4,048	4,813	4,842	7,774
Business-type activities:				
Charges for services:				
Water and sewer service	17,927	18,114	18,720	20,494
Solid waste service	4,909	4,776	5,583	5,697
Capital grants and contributions	-	-	3	-
Total business-type activities program revenues	22,836	22,890	24,306	26,191
Total primary government program revenues	$ 26,884	$ 27,703	$ 29,148	$ 33,965

(Continued)

TABLE 2

Fiscal Year					
2012	2013	2014	2015	2016	2017
$ 6,347	$ 6,548	$ 6,662	$ 6,303	$ 9,178	$ 7,061
17,285	17,972	17,871	18,221	19,655	21,582
5,669	7,081	6,011	7,024	6,481	7,053
627	715	703	716	748	778
5,183	5,488	5,268	5,398	5,760	5,874
306	279	290	277	339	321
676	629	594	560	665	1,491
36,093	38,712	37,399	38,499	42,826	44,160
19,822	18,388	18,853	18,760	20,569	21,591
4,228	4,354	4,540	4,423	4,692	4,876
24,050	22,742	23,393	23,183	25,261	26,467
$ 60,143	$ 61,454	$ 60,792	$ 61,682	$ 68,087	$ 70,627
$ 116	$ 114	$ 99	$ 97	$ 88	$ 78
3,094	3,133	2,707	2,635	2,512	3,383
103	101	118	102	99	137
133	150	171	139	125	106
957	1,323	1,194	1,194	868	965
132	565	156	1,504	183	402
618	541	250	247	546	407
5,153	5,927	4,695	5,918	4,421	5,478
19,584	19,720	19,870	20,548	20,674	20,760
5,599	5,474	5,815	5,763	6,218	6,264
-	-	1,191	546	289	389
25,183	25,194	26,876	26,857	27,181	27,413
$ 30,336	$ 31,121	$ 31,571	$ 32,775	$ 31,602	$ 32,891

CITY OF SHERMAN, TEXAS
CHANGES IN NET POSITION (Continued)
(Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2008	2009	2010	2011
NET (EXPENSE) REVENUES				
Governmental activities	$ (29,817)	$(30,406)	$(31,053)	$(30,074)
Business-type activities	633	460	1,687	2,497
Total primary government net expense	(29,184)	(29,946)	(29,366)	(27,577)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	8,000	6,683	7,050	7,110
Sales	11,232	12,545	12,264	12,868
Franchise and nonproperty	4,380	4,257	3,928	4,017
Investment earnings	443	311	186	102
Grants, donations, and special items	235	(177)	557	148
Gain/(loss) on sale of fixed assets	8	(42)	-	-
Transfers	2,607	2,746	3,244	2,535
Total governmental activities	26,905	26,323	27,229	26,780
Business-type activities:				
Investment earnings	495	143	49	50
Grants, donations, and special items	14	1195	31	82
Transfers	(2,607)	(2,746)	(3,244)	(2,535)
Total business-type activities	(2,098)	(1,408)	(3,164)	(2,403)
Total primary government	24,807	24,915	24,065	24,377
CHANGE IN NET POSITION				
Governmental activities	(2,912)	(4,083)	(3,824)	(3,294)
Business-type activities	(1,465)	(948)	(1,477)	94
Total primary government	$(4,377)	$(5,031)	$(5,301)	$(3,200)

TABLE 2

Fiscal Year					
2012	2013	2014	2015	2016	2017
$(30,941)	$(32,785)	$(32,704)	$(32,581)	$(38,405)	$(38,682)
1,133	2,452	3,484	3,674	1,920	946
(29,808)	(30,333)	(29,220)	(28,907)	(36,485)	(37,736)
7,072	7,291	7,793	8,811	9,341	10,808
13,203	13,872	14,806	15,058	15,636	15,563
3,449	3,462	3,841	3,618	3,425	3,490
190	78	120	20	154	353
150	280	279	136	222	303
-	-	-	-	9	(35)
4,969	5,231	5,973	5,202	4,409	4,056
29,033	30,214	32,812	32,845	33,196	34,538
48	35	13	57	66	45
49	58	121	65	402	810
(4,969)	(5,231)	(5,973)	(5,202)	(4,408)	(4,056)
(4,872)	(5,138)	(5,839)	(5,080)	(3,940)	(3,201)
24,161	25,076	26,973	27,765	29,256	31,337
(1,908)	(2,571)	108	264	(5,209)	(4,144)
(3,739)	(2,686)	(2,355)	(1,406)	(2,020)	(2,255)
$(5,647)	$(5,257)	$(2,247)	$(1,142)	$(7,229)	$(6,399)

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TABLE 3

CITY OF SHERMAN, TEXAS
FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund										
Nonspendable	$ -	$ -	$ -	$ -	$ 13	$ -	$ -	$ -	$ 87	$ -
Reserved	270	106	39	-	-	-	-	-	-	-
Unreserved	9,475	7,359	6,949	-	-	-	-	-	-	-
Restricted	-	-	-	52	8	6	30	6	8	11
Assigned	-	-	-	-	119	119	139	141	69	38
Unassigned	-	-	-	8,271	9,138	9,760	11,358	10,949	10,056	9,344
Total general fund	$ 9,745	$ 7,465	$ 6,988	$ 8,323	$ 9,278	$ 9,885	$ 11,527	$ 11,096	$ 10,220	$ 9,393
All other governmental funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 1,300	$ 1,300	$ -	$ -	$ -
Reserved	2,237	2,629	3,027	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	2,061	1,675	1,134	-	-	-	-	-	-	-
Capital projects funds	7,159	9,304	5,132	-	-	-	-	-	-	-
Committed	-	-	-	483	450	451	418	419	422	426
Restricted	-	-	-	3,718	3,226	3,145	3,446	3,420	2,761	24,536
Assigned	-	-	-	1,037	457	-	-	1,758	9,832	460
Unassigned	-	-	-	-	-	(1,077)	(658)	-	-	-
Total all other governmental funds	$ 11,457	$ 13,608	$ 9,293	$ 5,238	$ 4,133	$ 3,819	$ 4,506	$ 5,597	$ 13,015	$ 25,422

Note: Beginning in 2011, fund balances are reported based on GASB 54. Prior years have not been restated.

TABLE 4

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
REVENUES										
Taxes	$ 23,374	$ 23,350	$ 23,016	$ 23,795	$ 23,529	$ 24,421	$ 26,300	$ 27,269	$ 28,327	$ 29,934
Licenses and permits	420	346	294	349	171	254	401	371	404	503
Intergovernmental	889	745	683	2,323	700	1,330	577	572	714	762
Charges for services	2,913	2,771	2,909	2,991	3,124	3,316	3,079	2,977	2,927	3,502
Fines	897	751	835	1,158	942	1,106	731	571	527	726
Investment earnings	389	309	186	91	189	78	120	20	154	350
Donations	34	48	50	61	27	48	42	39	43	53
Miscellaneous	201	266	567	169	175	276	208	1,579	220	330
Total revenues	29,117	28,586	28,540	30,937	28,857	30,829	31,458	33,398	33,316	36,160
EXPENDITURES										
General government	4,372	4,342	4,567	4,588	4,401	4,618	4,839	5,209	5,337	5,408
Public safety	16,047	16,550	16,948	17,253	16,494	17,510	17,509	17,669	18,400	19,409
Highways and streets	2,111	5,353	2,201	3,750	2,343	2,395	2,565	2,557	2,997	3,374
Sanitation	566	602	578	600	601	690	682	701	704	714
Community services	4,777	4,134	4,063	4,224	4,188	4,509	4,377	4,496	4,727	4,954
Community development	346	320	353	348	306	279	290	278	335	316
Capital outlay	2,574	7,308	4,466	3,035	1,197	1,853	751	2,678	2,955	9,332
Debt service:										
Principal	366	1,101	1,581	1,501	1,539	816	770	795	830	1,300
Interest	240	616	798	678	643	602	574	547	619	1,180
Total expenditures	31,399	40,326	35,555	35,977	31,712	33,272	32,357	34,930	36,904	45,987

(Continued)

TABLE 4

CITY OF SHERMAN, TEXAS
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (Continued)
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$(2,282)	$(11,740)	$(7,015)	$(5,040)	$(2,855)	$(2,443)	$(899)	$(1,532)	$(3,588)	$(9,827)
OTHER FINANCING SOURCES (USES)										
Proceeds of long-term debt	5,000	11,500	-	-	-	-	-	-	8,800	18,110
Premium on bond issuance	-	-	-	-	-	-	-	-	304	1,701
Proceeds from refunding debt	-	-	-	-	-	-	-	-	-	9,360
Proceeds from sale of assets	22	29	45	-	5	25	56	39	438	51
Paid to refunding bond agent	-	-	-	-	-	-	-	-	-	(9,887)
Transfers in	4,821	3,516	3,942	4,794	4,220	3,986	5,098	5,500	3,985	3,926
Transfers out	(2,025)	(3,030)	(1,764)	(2,474)	(1,520)	(1,276)	(1,926)	(3,348)	(3,398)	(1,854)
Total other financing sources (uses)	7,818	12,015	2,223	2,320	2,705	2,735	3,228	2,191	10,129	21,407
NET CHANGE IN FUND BALANCES	$ 5,536	$ 275	$(4,792)	$(2,720)	$(150)	$ 292	$ 2,329	$ 659	$ 6,541	$ 11,580
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.1%	5.2%	7.7%	6.6%	7.2%	4.3%	4.3%	4.0%	4.3%	6.8%

Note: Capital Outlay does not include contributed capital assets.

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TABLE 5

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	Total Direct Tax Rate	Estimated Actual Taxable Value	Per Capita Assessed Value
	Residential	Commercial	Personal	Other					
2008	$ 810,830	$ 1,121,653	$ 564,007	$ 21,917	$ 539,736	$ 1,978,671	$ 0.4000	$ 1,978,671	$ 56,401
2009	847,935	1,168,777	568,131	26,334	538,341	2,072,836	0.3200	2,072,836	59,085
2010	865,771	1,221,147	659,497	24,880	583,701	2,187,594	0.3200	2,187,594	58,457
2011	863,028	1,251,827	599,166	30,369	548,722	2,195,668	0.3200	2,195,668	56,999
2012	848,847	1,258,179	624,820	29,851	561,268	2,200,429	0.3200	2,200,429	57,582
2013	852,464	1,264,118	632,063	32,636	531,385	2,249,896	0.3200	2,249,896	58,440
2014	855,330	1,313,960	612,320	31,885	575,443	2,238,052	0.3480	2,238,052	57,674
2015	872,907	1,724,365	643,252	27,226	893,233	2,374,517	0.3720	2,374,517	60,700
2016	924,035	1,856,599	684,425	18,012	962,223	2,520,848	0.3720	2,520,848	63,708
2017	1,091,578	1,865,518	643,397	12,743	831,983	2,781,253	0.3943	2,781,253	69,337

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 rate regardless of real or personal property, commercial, residential, or industrial.

TABLE 6

CITY OF SHERMAN, TEXAS
CLASSIFICATION OF ASSESSED VALUATION
LAST TEN YEARS

Category	Tax Year 2007	% of Total	Tax Year 2008	% of Total	Tax Year 2009	% of Total	Tax Year 2010	% of Total	Tax Year 2011	% of Total
Real, Residential, Single-Family	$ 875,862,128	34.78%	$ 905,655,726	34.68%	$ 939,107,337	33.89%	$ 940,459,569	34.27%	$ 938,389,678	33.98%
Real, Residential, Multi-Family	120,883,108	4.80%	123,461,561	4.73%	128,928,930	4.65%	132,942,721	4.84%	122,892,528	4.45%
Real, Vacant Lots/Tracts	37,184,358	1.48%	35,425,238	1.36%	43,788,295	1.58%	43,677,257	1.59%	44,129,528	1.60%
Real, Acreage	74,670,346	2.96%	78,979,995	3.02%	97,956,790	3.53%	100,371,411	3.66%	98,127,969	3.55%
Real, Farm & Ranch Improvements	3,824,071	0.15%	3,610,685	0.14%	4,432,506	0.16%	4,468,072	0.16%	4,282,539	0.16%
Real, Commercial	475,608,391	18.89%	514,951,966	19.72%	512,819,844	18.50%	555,793,155	20.25%	567,342,314	20.54%
Real, Industrial	138,572,204	5.50%	145,534,691	5.57%	144,924,929	5.23%	141,823,597	5.17%	131,107,924	4.75%
Oil & Gas	19,009,989	0.75%	23,230,080	0.89%	20,676,799	0.75%	26,895,084	0.98%	25,982,199	0.94%
Utilities	48,034,404	1.91%	50,921,300	1.95%	46,431,590	1.68%	47,302,715	1.72%	49,362,566	1.79%
Tangible Personal, Commercial	258,695,702	10.27%	229,818,262	8.80%	250,724,820	9.05%	244,533,899	8.91%	252,458,659	9.14%
Tangible Personal, Industrial	238,564,191	9.47%	269,567,850	10.32%	349,228,404	12.60%	297,117,303	10.83%	311,741,599	11.29%
Mobile Homes	2,975,506	0.12%	2,742,955	0.11%	3,062,807	0.11%	2,697,012	0.10%	2,816,658	0.10%
Exempt	203,879,260	8.10%	20,954,139	0.80%	208,990,004	7.54%	17,248,675	0.63%	194,707,507	7.05%
Real Property, Inventory	20,643,454	0.82%	206,322,759	7.90%	20,221,954	0.73%	189,058,948	6.89%	18,355,463	0.66%
Total Appraised Value	2,518,407,112	100.00%	2,611,177,207	100.00%	2,771,295,009	100.00%	2,744,389,418	100.00%	2,761,697,131	100.00%
Less:										
Local Over-65/Disabled	74,638,270		75,818,712		75,961,550		76,319,366		77,141,620	
Community Housing	2,066,794		2,210,313		2,210,313		2,844,917		2,000,000	
Freeport Exemption Loss	67,198,186		66,263,843		85,155,079		72,369,663		73,268,006	
Productivity	62,229,940		64,899,435		76,908,557		79,455,664		77,609,339	
Abatement	98,636,660		99,384,340		108,653,199		99,592,353		119,450,516	
Homestead Cap Loss	21,950,045		14,935,421		13,525,841		8,606,649		6,692,767	
Pollution Control Exemption Loss	4,767,148		4,338,505		4,018,675		3,483,182		3,044,290	
Veterans Exemption Loss	3,558,320		3,565,120		7,495,941		8,671,914		9,056,368	
Exempt	204,690,278		206,925,781		209,771,738		197,377,833		193,005,057	
Total Exemptions/Deductions	539,735,641		538,341,470		583,700,893		548,721,541		561,267,963	
Net Taxable Assessed Valuation	$ 1,978,671,471		$ 2,072,835,737		$ 2,187,594,116		$ 2,195,667,877		$ 2,200,429,168	

(Continued)

TABLE 6

CITY OF SHERMAN, TEXAS
CLASSIFICATION OF ASSESSED VALUATION (Continued)
LAST TEN YEARS

Category	Tax Year 2012	% of Total	Tax Year 2013	% of Total	Tax Year 2014	% of Total	Tax Year 2015	% of Total	Tax Year 2016	% of Total
Real, Residential, Single-Family	$ 932,233,384	33.52%	$ 933,817,827	33.19%	$ 950,035,956	29.07%	$ 996,337,134	28.61%	$ 1,172,256,310	32.44%
Real, Residential, Multi-Family	127,665,860	4.59%	130,211,958	4.63%	133,771,157	4.09%	137,353,565	3.94%	145,169,098	4.02%
Real, Vacant Lots/Tracts	45,963,438	1.65%	36,329,354	1.29%	36,858,532	1.13%	37,093,687	1.06%	36,562,019	1.01%
Real, Acreage	105,196,706	3.78%	79,919,006	2.84%	76,112,901	2.33%	75,791,961	2.18%	79,268,497	2.19%
Real, Farm & Ranch Improvements	6,176,571	0.22%	22,561,954	0.80%	25,326,663	0.78%	25,543,317	0.73%	27,381,695	0.76%
Real, Commercial	569,833,509	20.49%	584,441,092	20.77%	611,588,356	18.72%	656,344,646	18.84%	727,043,765	20.12%
Real, Industrial	121,858,243	4.38%	148,052,374	5.26%	443,154,265	13.56%	534,042,357	15.33%	452,398,809	12.52%
Oil & Gas	29,519,662	1.06%	26,524,198	0.94%	23,122,330	0.71%	14,370,088	0.41%	7,583,006	0.21%
Utilities	48,473,773	1.74%	50,457,550	1.79%	54,838,785	1.68%	60,125,951	1.73%	62,764,999	1.74%
Tangible Personal, Commercial	263,403,980	9.47%	236,760,135	8.42%	228,665,101	7.00%	227,394,003	6.53%	225,091,030	6.23%
Tangible Personal, Industrial	307,696,682	11.06%	311,710,732	11.08%	343,301,158	10.51%	377,369,508	10.83%	336,018,163	9.30%
Mobile Homes	2,706,729	0.10%	2,686,298	0.10%	2,529,051	0.08%	2,373,920	0.07%	2,288,864	0.06%
Exempt	201,731,730	7.25%	229,503,519	8.16%	316,851,742	9.70%	315,067,825	9.05%	313,988,437	8.69%
Real Property, Inventory	18,820,936	0.68%	20,519,083	0.73%	21,594,872	0.66%	23,863,035	0.69%	25,420,914	0.70%
Total Appraised Value	2,781,281,203	100.00%	2,813,495,080	100.00%	3,267,750,869	100.00%	3,483,070,997	100.00%	3,613,235,606	100.00%
Less:										
Local Over-65/Disabled	77,995,191		78,722,850		79,182,065		79,273,899		80,301,080	
Community Housing	2,325,000		2,521,084		2,721,914		2,669,627		2,724,952	
Freeport Exemption Loss	75,445,160		75,961,885		97,512,827		118,381,149		84,319,146	
Productivity	84,348,657		78,407,381		74,612,662		74,265,056		77,756,203	
Abatement	74,495,029		95,869,742		287,767,443		326,424,014		184,485,769	
Homestead Cap Loss	3,361,263		2,622,922		1,993,490		5,756,978		51,609,559	
Pollution Control Exemption Loss	1,747,547		2,117,525		21,818,194		28,342,360		22,957,482	
Veterans Exemption Loss	11,180,906		12,237,464		13,422,653		14,711,729		16,565,434	
Exempt	200,486,685		226,982,434		314,202,143		312,398,198		311,263,484	
Total Exemptions/Deductions	531,385,438		575,443,287		893,233,391		962,223,010		831,983,109	
Net Taxable Assessed Valuation	$ 2,249,895,765		$ 2,238,051,793		$ 2,374,517,478		$ 2,520,847,987		$ 2,781,252,497	

Source: Grayson Central Appraisal District

Certified values are subject to change throughout the year as contested values are resolved.

TABLE 7

CITY OF SHERMAN, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	City of Sherman Rates			Overlapping Rates									
				Grayson County			Sherman Independent School District			Grayson College			Total Direct and Overlapping Rates
Fiscal Year	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	
2008	$ 0.40000	$ -	$ 0.40000	$ 0.48279	$ 0.00811	$ 0.49090	$ 1.04000	$ 0.33000	$ 1.37000	$ 0.13974	$ -	$ 0.13974	$ 2.40064
2009	0.30100	0.01900	0.32000	0.48284	0.00806	0.49090	1.04000	0.40000	1.44000	0.13000	0.05436	0.18436	2.43526
2010	0.30100	0.01900	0.32000	0.48398	0.00692	0.49090	1.04000	0.40000	1.44000	0.13278	0.05094	0.18372	2.43462
2011	0.32000	-	0.32000	0.48827	0.00263	0.49090	1.04000	0.40000	1.44000	0.13300	0.04880	0.18180	2.43270
2012	0.29000	0.03030	0.32000	0.48414	0.00676	0.49090	1.04000	0.40000	1.44000	0.13617	0.04563	0.18180	2.43270
2013	0.28000	0.04000	0.32000	0.49090	-	0.49090	1.04000	0.40000	1.44000	0.13060	0.05120	0.18180	2.43270
2014	0.30030	0.04770	0.34800	0.49090	-	0.49090	1.04000	0.40000	1.44000	0.12925	0.05236	0.18161	2.46051
2015	0.33000	0.04220	0.37220	0.49090	-	0.49090	1.04000	0.40000	1.44000	0.13059	0.05091	0.18150	2.48460
2016	0.33244	0.03956	0.37200	0.49090	-	0.49090	1.04000	0.40000	1.44000	0.13384	0.04756	0.18140	2.48430
2017	0.34789	0.04641	0.39430	0.47372	-	0.47372	1.17000	0.27000	1.44000	0.13612	0.04518	0.18130	2.48932

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 rates apply to all City of Sherman property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

TABLE 8

CITY OF SHERMAN, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(amounts expressed in thousands)

	Tax Year 2016			Tax Year 2007		
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	$ 185,993	1	6.69%	$ -		- %
MB Sherman Town Center	55,133	2	1.98%	50,862	1	2.57%
HCII - Heritage Park LLC	33,288	3	1.20%	-		- %
Globitech Incorporated	32,291	4	1.16%	34,839	2	1.76%
Sherman Commons LP	31,264	5	1.12%	-		- %
ONCOR Electric Delivery	25,438	6	0.91%	22,256	4	1.12%
MPT of Shermn Alecto LLC	23,492	7	0.84%	-		- %
Progress Rail Service	23,261	8	0.84%	-		- %
Texas Instruments	23,215	9	0.83%	17,511	7	0.88%
Kaiser Aluminum Fabricated Products	21,441	10	0.77%	-		- %
MEMC Southwest Inc	-		- %	23,450	3	1.19%
Woodmont Sherman LP	-		- %	17,920	5	0.91%
First Union Trust Co.	-		- %	17,585	6	0.89%
Certainteed, Inc.	-		- %	17,289	8	0.87%
Villas of Parkhaven	-		- %	15,872	9	0.80%
GTE Southwest	-		- %	12,627	10	0.64%
Total	$ 454,816		16.35%	$ 230,211		11.63%

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
2008	$ 7,692	$ 7,463	97.02%	$ 99	$ 7,562	98.31%
2009	6,619	6,502	98.23%	105	6,607	99.82%
2010	7,162	6,874	95.98%	96	6,970	97.32%
2011	7,146	7,055	98.73%	82	7,137	99.87%
2012	7,080	6,924	97.80%	81	7,005	98.94%
2013	7,290	7,132	97.83%	29	7,161	98.23%
2014	7,803	7,669	98.28%	55	7,724	98.99%
2015	8,796	8,665	98.51%	80	8,745	99.42%
2016	9,324	9,125	97.87%	49	9,174	98.39%
2017	10,779	10,592	98.27%	-	10,592	98.27%

Source: Grayson County Tax Assessor Collector

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
2008	$ 10,886,208	$ 7,692,000	1.875%	* 6.250%	141.53%	$ 0.5502
2009	12,142,815	6,619,000	2.000%	6.250%	183.45%	0.5858
2010	12,185,797	7,162,000	2.000%	6.250%	170.15%	0.5570
2011	12,531,572	7,146,000	2.000%	6.250%	175.36%	0.5707
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

* Sales Tax rate was 1.750% for the first 9 months of the year and 1.875% for the last 3 months.

TABLE 11

CITY OF SHERMAN, TEXAS
SALES TAX COLLECTION BY INDUSTRY
LAST SIX FISCAL YEARS*

Industry	2012	Percent of Total Collection	2013	Percent of Total Collection	2014	Percent of Total Collection	2015	Percent of Total Collection	2016	Percent of Total Collection
Retail Trade	$ 7,464,057	57.1%	$ 7,682,844	57.6%	$ 7,928,871	54.0%	$ 8,030,977	54.6%	$ 8,619,109	55.7%
Accommodation and Food Service	1,448,355	11.1%	1,492,014	11.2%	1,597,945	10.9%	1,631,949	11.1%	1,761,217	11.4%
Manufacturing	859,296	6.6%	751,862	5.6%	1,088,028	7.4%	1,008,652	6.9%	1,175,919	7.6%
Wholesale Trade	655,378	5.0%	548,919	4.1%	687,130	4.7%	861,791	5.9%	897,047	5.8%
Information	571,685	4.4%	614,604	4.6%	735,636	5.0%	789,066	5.4%	863,364	5.6%
Utilities	492,906	3.8%	489,801	3.7%	634,736	4.3%	579,040	3.9%	790,238	5.1%
Construction	236,748	1.8%	499,088	3.7%	779,630	5.3%	382,718	2.6%	447,532	2.9%
Administration Support	499,887	3.8%	334,040	2.5%	336,868	2.3%	313,191	2.1%	103,427	0.7%
Real Estate / Rental / Leasing	-	- %	314,572	2.4%	315,644	2.2%	319,813	2.2%	331,629	2.1%
Other	837,568	6.4%	609,938	4.6%	571,509	3.9%	782,509	5.3%	497,667	3.2%
	$ 13,065,880	100.0%	$ 13,337,682	100.0%	$ 14,675,996	100.0%	$ 14,699,706	100.0%	$ 15,487,150	100.0%

Industry	2017	Percent of Total Collection
Retail Trade	$ 8,929,151	68.3%
Accommodation and Food Service	1,874,712	14.3%
Manufacturing	856,743	6.6%
Wholesale Trade	986,180	7.5%
Information	883,113	6.8%
Utilities	765,312	5.9%
Construction	103,946	0.8%
Administration	151,075	1.2%
Other	1,022,086	7.8%
	$ 15,572,318	119.2%

*2012 is the first year the City began compiling this data.
No other entities' sales tax overlaps the City's sales tax.

TABLE 12

CITY OF SHERMAN, TEXAS
WATER AND SEWER RATES
LAST TEN FISCAL YEARS

Fiscal Year	Water: Monthly Base Rate	Water: Rate per 1,000 Gallons	Sewer: Monthly Base Rate	Sewer: Rate per 1,000 Gallons
2008	$ 18.21	$ 2.60	$ 6.53	$ 2.79
2009	18.48	2.64	6.63	2.83
2010	19.59	2.80	7.03	3.00
2011	19.59	2.80	7.03	3.00
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

TABLE 13

CITY OF SHERMAN, TEXAS
WATER SOLD BY TYPE OF CUSTOMER
LAST TEN FISCAL YEARS
(revenue amounts expressed in thousands)

	2008		2009		2010		2011		2012**	
Type of Customer	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues
Residential	1,134.2	$ 5,470	1,099.3	$ 5,649	1,081.4	$ 5,813	1,235.1	$ 6,460	1,318.8	$ 7,257
Commercial	1,428.0	4,581	1,324.9	4,528	1,382.6	4,810	1,405.0	5,112	1,278.0	5,064
Other Water Providers	59.6	121	59.1	122	72.5	149	71.0	149	73.3	164
Outside City Limits	17.2	128	17.4	130	20.6	141	23.0	159	24.2	174
Government	23.6	*	23.6	*	24.6	*	38.2	*	50.1	*
Fire Hydrants	14.4	784	27.9	130	13.1	63	7.1	49	5.4	45
Total	2,677.0	$ 11,084	2,552.2	$ 10,559	2,594.8	$ 10,976	2,779.4	$ 11,929	2,749.8	$ 12,704

	2013		2014		2015		2016		2017	
Type of Customer	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues	Thousands of Gallons	Revenues
Residential	1,129.0	$ 6,739	1,058.0	$ 6,649	1,064.1	$ 6,725	1,102.0	$ 6,885	1,081.3	$ 6,967
Commercial	1,052.0	4,470	1,059.0	4,499	1,145.3	4,801	1,189.0	4,916	1,131.9	4,900
Other Water Providers	69.2	166	430.0	705	730.1	1,012	817.6	1,062	752.7	943
Outside City Limits	23.3	172	5.7	75	6.1	79	6.2	83	6.9	92
Government	45.3	*	47.4	*	41.0	*	45.7	*	54.2	*
Fire Hydrants	11.0	51	8.8	47	4.5	45	7.9	57	4.4	48
Total	2,329.8	$ 11,598	2,608.9	$ 11,975	2,991.1	$ 12,662	3,168.4	$ 13,003	3,031.4	$ 12,950

***** Revenues breakdown not available.

** Due to a change in billing schedule, 2012 contains 13 months of consumption and 13 billings.

TABLE 14

CITY OF SHERMAN, TEXAS
TOP TEN WATER CUSTOMERS
AS OF SEPTEMBER 30, 2017

Customer	Consumption *(In Millions of Gallons)*	Revenues *(In Thousands)*	Rank	% of Total Water Revenues
Panda Sherman	755.4	$ 1,003.7	1	7.75%
Globitech	186.7	632.3	2	4.88%
Texas Instruments	186.6	686.3	3	5.30%
IBP	169.7	563.5	4	4.35%
Austin College	46.6	249.8	5	1.93%
Sunny Delight Beverages	38.6	138.9	6	1.07%
Marliee Special Water Dist	37.3	143.6	7	1.11%
WNJ Regional Hospital	29.6	126.8	8	0.98%
Dorchester Water Supply	25.9	25.9	9	0.20%
Kaiser Aluminum Products	25.7	98.3	10	0.76%
Total	1,502.1	$ 3,669.1		28.33%

Note: Total billed water from October 1, 2016 through September 30, 2017 was $12,949,926.

TABLE 15

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 Bonded Debt	Tax Notes	Capital Leases	Water and Sewer Bonds	Capital Leases	Other	Total Primary Government	Percentage of Personal Income	Per Capita
2008	$ 9,270	$ -	$ 909	$ -	$ 2,335	$ 3,380	$ 15,894	2.42%	$ 453
2009	17,595	2,240	659	-	1,750	3,320	25,564	3.89%	729
2010	16,990	1,505	1,653	-	1,225	3,256	24,629	3.20%	658
2011	16,295	760	1,323	-	871	3,179	22,428	2.79%	582
2012	15,580	-	1,029	-	510	3,099	20,218	2.43%	528
2013	14,830	-	772	-	161	3,019	18,782	2.25%	490
2014	14,060	-	575	-	-	2,932	17,567	2.16%	458
2015	13,265	-	373	-	-	2,842	16,480	1.97%	430
2016	19,709	1,830	162	-	757	2,746	25,204	3.01%	658
2017	38,360	1,395	-	-	641	2,647	43,043	4.87%	1,073

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for personal income and population data.

TABLE 16

CITY OF SHERMAN, TEXAS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2008	$ 9,270	0.47%	$ 264
2009	17,595	0.85%	502
2010	16,990	0.78%	454
2011	16,295	0.74%	423
2012	15,580	0.71%	407
2013	14,830	0.66%	387
2014	14,060	0.63%	367
2015	13,265	0.56%	346
2016	19,709	0.78%	514
2017	38,360	1.38%	956

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.

Population data can be found in the Schedule of Demographic and Economic Statistics.

TABLE 17

CITY OF SHERMAN, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2017

(amounts expressed in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:			
City of Sherman direct debt	$ 39,755	100.000%	$ 39,755
Grayson County	47,548	26.685%	12,688
Grayson College	41,302	26.742%	11,045
Sherman Independent School District	72,509	73.890%	53,577
Subtotal, overlapping debt	161,359		77,310
Total direct and overlapping debt			$ 117,065
Ratio of direct and overlapping debt to assessed valuation			4.2%
Per capita direct and overlapping debt			$ 2,918

Sources: Assessed value data used to estimate applicable percentages provided by the Grayson Central Appraisal District. Debt outstanding data provided by the county.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the 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.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

TABLE 18

CITY OF SHERMAN, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Legal Debt Margin Calculation for Fiscal Year 2017	
Assessed value	2,781,253
Add back: exemptions & deductions	831,983
Total Assessed Value	3,613,236
Debt limit (1% of total assessed value)	36,132
Debt applicable to limit:	
Non-voting debt issued (certificates of obligation, tax notes)	19,102
Legal debt margin	17,030

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	$ 25,588	$ 26,172	$ 27,834	$ 27,627	$ 27,517	$ 27,857	$ 28,284	$ 32,680	$ 34,797	$ 36,132
Total net debt applicable to limit	5,000	7,150	-	-	-	-	-	-	9,100	19,102
Legal debt margin	$ 20,588	$ 19,022	$ 27,834	$ 27,627	$ 27,517	$ 27,857	$ 28,284	$ 32,680	$ 25,697	$ 17,030
Total net debt applicable to the limit as a percentage of debt limit	19.54%	27.32%	- %	- %	- %	- %	- %	- %	26.15%	52.87%

Note:

The City of Sherman's outstanding general obligation debt is not limited in relation to the 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.

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
2008	$ 18,205	$ 15,995	$ 2,210	$ -	$ -	$ -
2009	18,104	16,222	1,882	-	-	-
2010	18,557	15,425	3,132	-	-	-
2011	20,389	16,732	3,657	-	-	-
2012	19,212	17,218	1,994	-	-	-
2013	19,058	15,848	3,210	-	-	-
2014	19,966	16,233	3,733	-	-	-
2015	18,205	15,834	2,371	-	-	-
2016	20,987	18,255	2,732	-	-	-
2017	21,493	19,254	2,239	-	-	-

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Water and sewer charges and other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

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 *
2008	35,082	$ 656,630	$ 18,717	34.0	79.0%	6,568	5.0%
2009	35,082	656,630	18,717	34.0	79.0%	6,714	7.2%
2010	37,422	768,461	20,535	33.6	82.3%	6,233	8.1%
2011	38,521	803,163	20,850	33.4	82.6%	6,512	7.7%
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%

Sources: U. S. Census; Bureau of Labor Statistics; Sherman Independent School District

* Not seasonally adjusted

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TABLE 21

CITY OF SHERMAN, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

	2017			2008		
Taxpayer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Tyson Fresh Meats	1,540	1	7.87%	1,200	1	8.68%
Sherman ISD	1,020	2	5.21%	940	3	6.80%
Texas Instruments, Inc.	900	3	4.60%	750	4	5.42%
Wilson N. Jones Regional Medical Center	680	4	3.48%	1,000	2	7.23%
Grayson County	540	5	2.76%	450	8	3.25%
Wal-Mart / Sam's	450	6	2.30%			
Emerson Process / Fisher Controls	440	7	2.25%			
City of Sherman	431	8	2.20%	414	7	2.99%
Eaton B-Line	335	9	1.71%			
Alorica	306	10	1.56%			
MEMC Southwest, Inc.				510	5	3.69%
West Asset Management Receivables				500	6	3.62%
West Asset Management Call Center				425	9	3.07%
Cooper B Line				400	10	2.89%
Total	6,642		33.94%	6,589		47.64%

Source: Sherman Economic Development Corporation and U.S. Census Bureau American Fact Finder

CITY OF SHERMAN, TEXAS
FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fulltime Equivalent Employees as of September 30,			
	2008	2009	2010	2011
General government				
Management services	4	4	4	3
Public records	2	2	2	2
Legal services	2	2	2	2
Financial services	6	6	6	6
Human resources	3	3	3	3
Development/engineering	6	6	8	8
Law enforcement	68	68	68	68
Fire and ambulance	75	75	78	78
Animal control	7	7	7	7
Public safety support	24	24	25	25
Building and zoning/code	9	9	8	6
Street maintenance	23	23	25	25
Environmental code	-	-	-	2
Building maintenance	9	9	9	9
Cemetery services	5	5	4	4
Parks and recreation	5	5	5	5
Grounds maintenance	13	11	15	15
Glennie O. Ham Center	2	2	2	2
Library services	12	11	11	11
Community development	2	1	1	1
Day care center	13	-	-	-
Senior citizens center	2	2	2	1
Administrative services	-	-	-	-
Utility Fund				
Utility administration	2	2	1	1
Utility billing/customer service	11	11	11	11
Production services	18	18	18	18
Pump maintenance	4	4	4	4
Collection and distribution	17	17	16	16
Infiltration	1	1	1	1
Treatment services	12	12	12	12
Laboratory	9	9	6	6
Industrial pretreatment	-	-	4	4
Water quality	-	-	-	-
Solid waste fund				
Residential	14	14	14	15
Commercial	13	13	13	12
Recycling	3	3	3	3
Other				
Information technology	4	4	4	4
Equipment services	14	14	14	14
Tourism	-	1	1	1
Total	414	398	407	405

Fulltime Equivalent Employees as of September 30,					
2012	2013	2014	2015	2016	2017
3	3	3	3	5	5
2	2	2	2	2	2
2	2	2	2	2	1
6	5	6	6	7	7
3	3	3	3	3	4
8	7	7	8	8	9
68	68	68	68	68	72
78	78	78	78	78	81
7	7	7	7	7	7
25	25	25	25	25	25
6	6	6	6	6	6
25	24	24	23	23	23
2	2	2	2	2	2
9	9	9	9	8	9
6	7	6	6	7	7
5	6	6	5	6	6
11	15	16	16	16	16
2	-	-	-	-	-
11	11	11	11	11	11
1	1	1	1	1	2
-	-	-	-	-	-
1	2	2	2	2	2
-	2	2	2	-	-
1	1	1	1	1	1
11	11	11	12	12	12
18	18	18	18	18	22
4	4	4	4	4	4
16	16	16	16	16	20
1	1	1	1	1	1
12	12	12	12	12	14
6	6	6	6	7	6
4	4	4	4	4	4
-	-	-	1	1	1
15	15	15	15	15	16
12	12	12	12	12	12
3	3	3	3	3	2
4	5	5	5	6	6
14	14	13	13	12	11
1	1	1	2	2	2
403	408	408	410	413	431

TABLE 23

CITY OF SHERMAN, TEXAS
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year									
Function / Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
Physical arrests	1,787	1,781	1,946	2,864	2,366	2,525	1,677	1,767	1,586	1,501
Calls for service	2,652	1,584	19,126	19,040	19,756	18,766	18,437	20,555	38,123	37,131
Traffic violations	6,856	5,154	8,677	6,253	5,882	6,880	3,759	4,451	4,314	5,184
Fire										
Number of calls answered	6,140	5,661	5,682	6,063	6,190	6,219	6,013	6,469	6,769	7,614
Inspections	1,623	145	1,844	3,027	1,956	1,959	2,074	3,233	797	920
Planning and Zoning										
Number of residential units	507	718	405	439	402	444	596	426	456	537
Value of residential units	$ 24,337,284	$ 13,735,969	$ 14,302,030	$ 17,604,858	$ 11,906,411	$ 27,687,480	$ 22,730,051	$ 22,440,786	$ 21,059,304	$ 30,613,815
Number of commercial units	111	108	84	93	126	125	134	85	81	94
Value of commercial units	$ 27,916,472	$ 39,359,365	$ 31,792,334	$ 51,088,071	$ 6,116,021	$ 132,543,698	$ 24,725,785	$ 15,076,638	$ 17,757,185	$ 34,571,628
Highways and streets										
Street resurfacing (miles)	78	47	18	25	23	17	18	13	15	15
Potholes repaired	350	1,425	2,420	1,400	2,245	1,983	299	1,183	433	285
Sanitation										
Refuse collected (tons/day)	181	150	159	112	148	146	161	160	177	179
Recyclables collected (tons/day)	10	11	10	8	11	11	16	12	12	10
Culture and recreation										
Athletic field permits issued	721	1,248	3,845	3,503	3,429	2,538	3,851	2,962	2,788	3,047
Community center admissions	6,284	6,156	9,592	5,932	4,832	4,988	8,644	5,168	4,890	4,123
Water										
New connections	2,800	2,572	2,514	2,572	2,572	2,683	2,693	2,846	2,948	2,963
Water mains breaks	206	138	161	280	165	192	190*	187	120	219
Average daily consumption (thousands of gallons)	9	9	8	10	8	8	8	5	8	8
Wastewater										
Average daily sewage treatment (thousands of gallons)	7,790	8,460	8,530	7,200	6,740	6,610	6,440	9,630	8,280	6,860

Source: Various City departments

* Estimates used; actual number not available

TABLE 24

CITY OF SHERMAN, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Function / Program	Fiscal Year 2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	17	17	17	17	17	17	17	17	21	17
Fire stations	5	5	5	5	5	5	5	5	5	5
Sanitation										
Collection trucks	39	39	40	37	37	37	38	40	43	38
Highways and streets										
Streets (miles)	215	215	212	212	212	212	212	242	231	260
Streetlights	2,966	3,019	3,049	3,049	3,049	3,049	3,049	3,049	3,049	3,049
Traffic signals	84	84	84	84	84	84	84	84	84	84
Culture and recreation										
Parks acreage	414	414	414	458	414	414	414	414	440	440
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	4	4	4	4	4	4	4	4	4	4
Community centers	1	1	1	1	1	1	2	2	2	2
Water										
Water mains (miles)	226	269	269	270	277	282	280*	289	294	300
Fire hydrants	1,995	2,023	2,208	1,775	1,766	1,782	1,782*	1,806	1,844	1,889
Maximum daily capacity (thousands of gallons)	23,500	28,766	23,000	23,000	23,157	22,809	23,319	23,419	24,151	21,864
Sewer										
Sanitary sewers (miles)	221	238	238	238	240	240	240	240	246	250
Storm sewers (miles)	N/A	N/A	N/A	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	16,000	16,000	16,000

Source: Various City departments

* Estimates used; actual number not available

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SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Presentation from Huitt-Zollars, Inc. on the Draft Grayson County Thoroughfare Plan

Issue:

Huitt-Zollars, Inc.'s presentation on the Draft Grayson County Thoroughfare Plan

Background:

Huitt-Zollars, Inc., the Consulting Team for the Grayson County Thoroughfare Plan, has requested the opportunity to make a presentation of the draft plan to the Sherman City Council. This presentation will include a discussion on demographics, the thoroughfare plan map, cost estimates and funding options.

Origination:

Clay Barnett, P.E., Director of Development Services/Grayson County Engineer, Executive Director, Sherman-Denison Metropolitan Planning Organization

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

The Council need take no action on this agenda item - it is for informational purposes only.

Alternatives:

None recommended

Attachments

Grayson County Thoroughfare Plan Presentation

Grayson County Thoroughfare Plan

Sherman City Council

March 19, 2018

HUITT-ZOLLARS

AGENDA
Sherman City Council

- Introduction
- Project Status
- Thoroughfare Plan Preparation
- DRAFT Thoroughfare Plan
- Potential Funding Sources
- Next Steps
- Questions and Comments

Purpose of Thoroughfare Plan

- **Identify transportation needs to serve future growth.**
- **Preserve corridors and acquire right-of-way for planned facilities as development occurs.**
- **Guide public investments in improving transportation facilities and services.**

What is the Thoroughfare Plan?

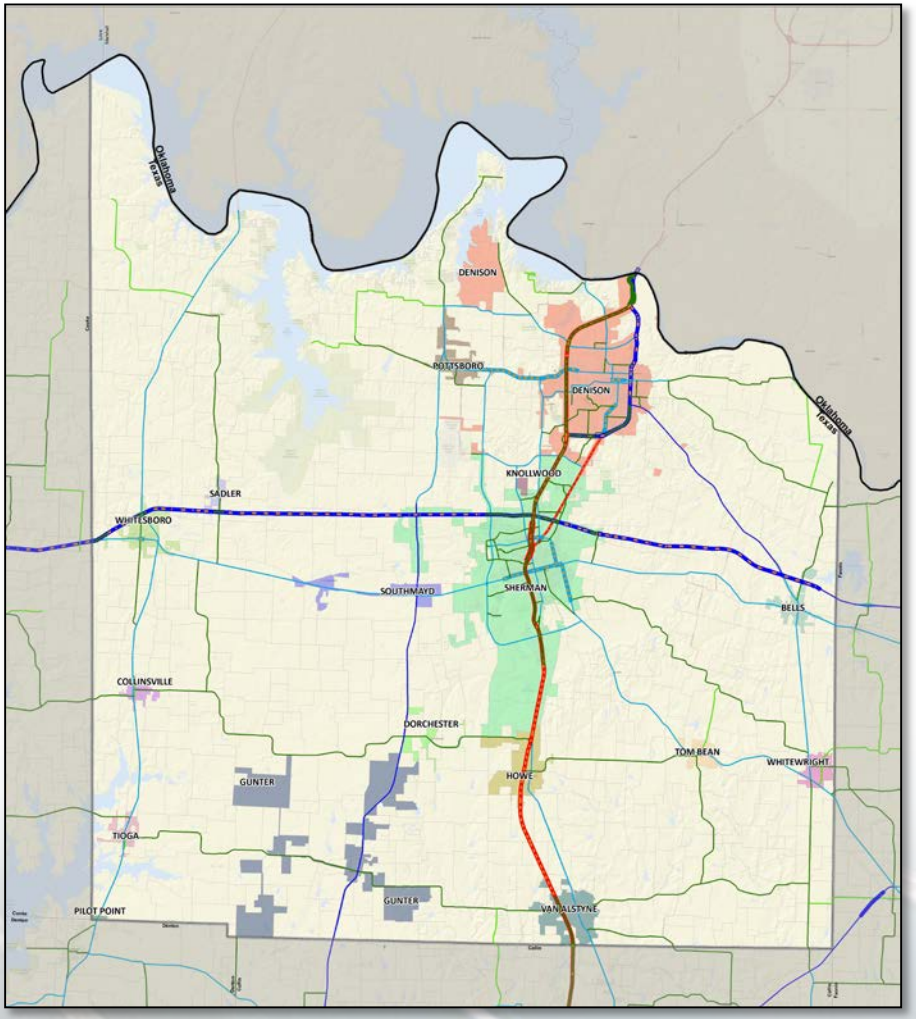
What is the Thoroughfare Plan?

- Plan to develop road network to serve short and long-range growth
- a tool to coordinate with cities and other agencies
- a planning tool that needs to be updated every 5 to 7 years
- a means to preserve corridors and obtain needed ROW

What the Thoroughfare Plan is <u>not</u>.

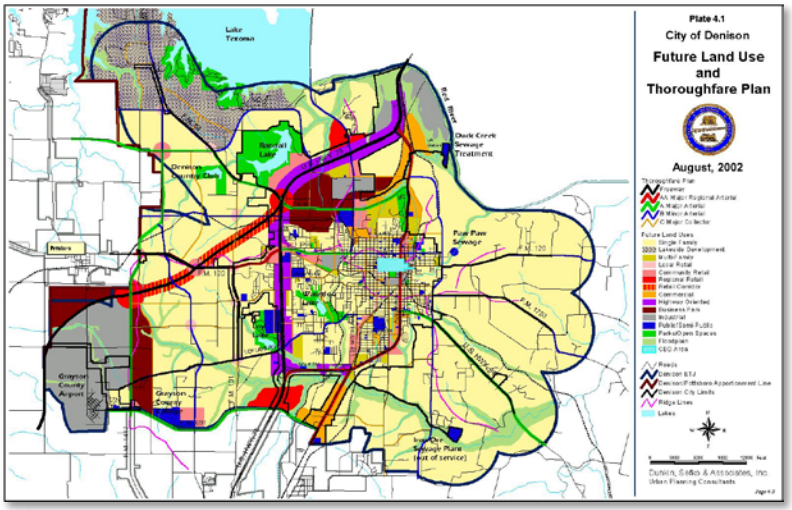
- Not a Bond Program nor Capital Improvement Program
- Not the total solution to the County's future transportation challenges

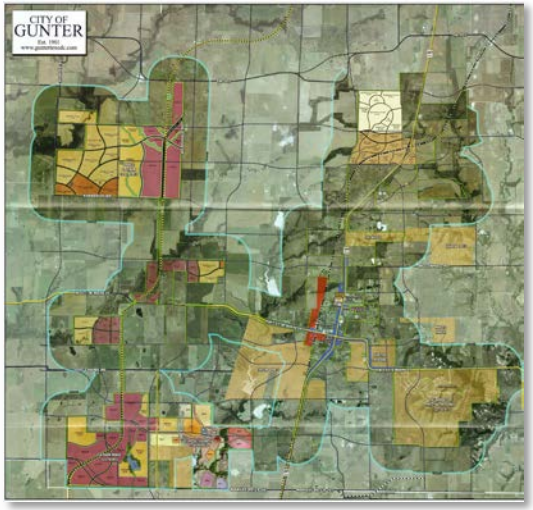
Study Area
Grayson County Thoroughfare Plan

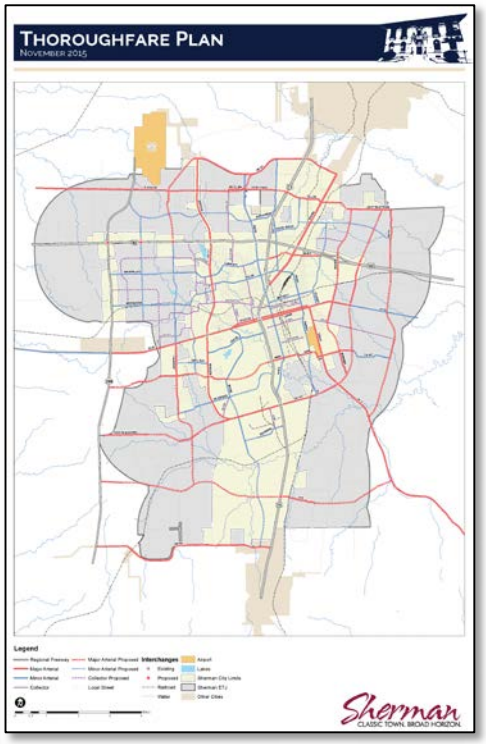


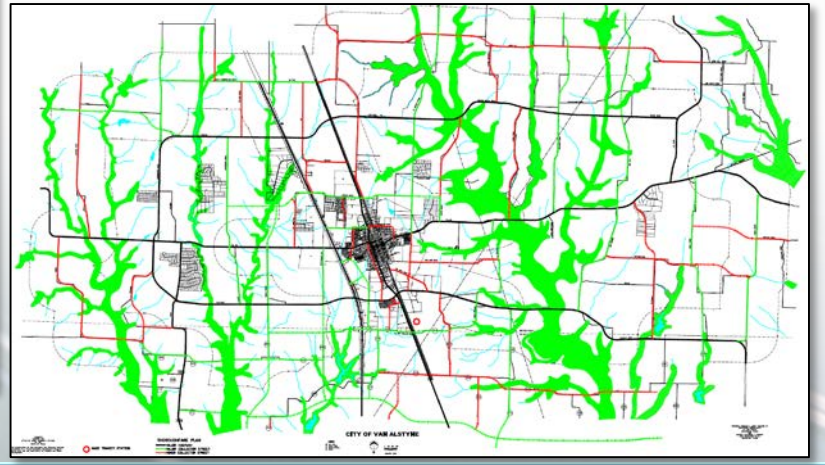
- 979 Sq. Miles
- Population 120,877 (2010)
- Households 42,849 (2010)
- 17 Municipalities

City Thoroughfare Plans

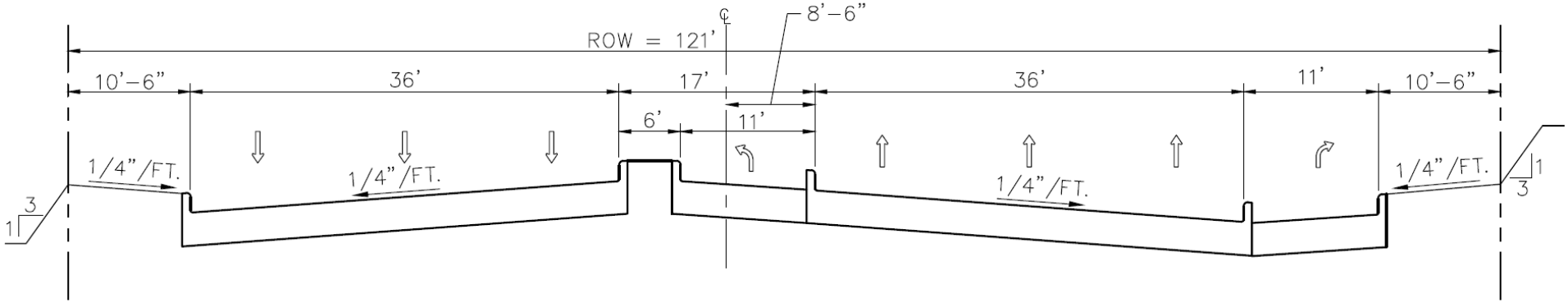






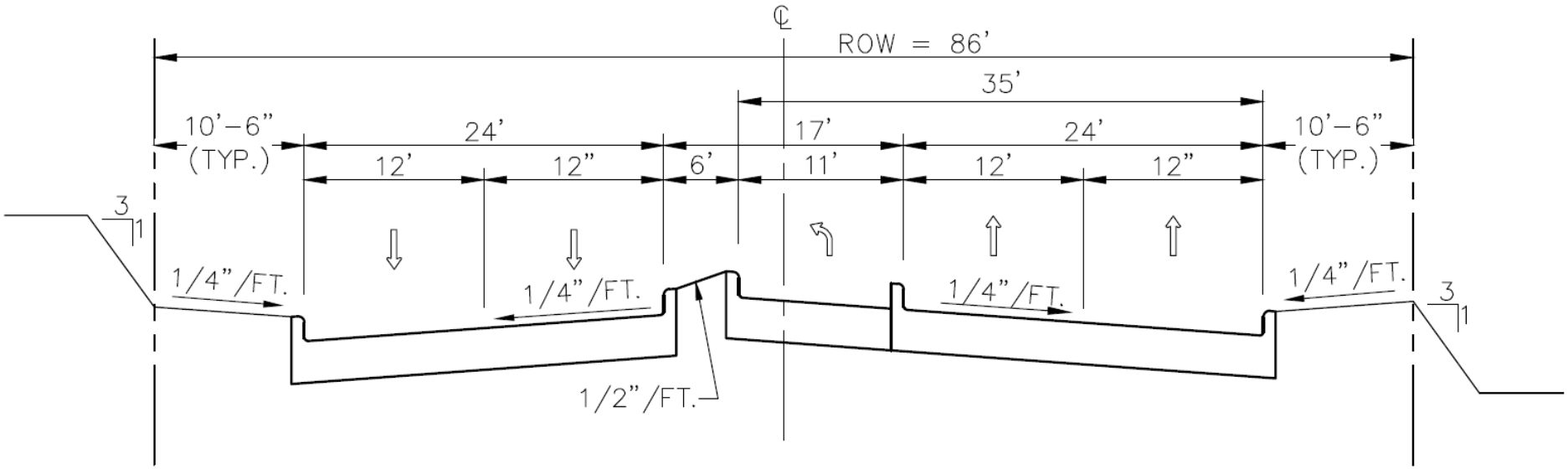


Typical Roadway Sections and Design Standards



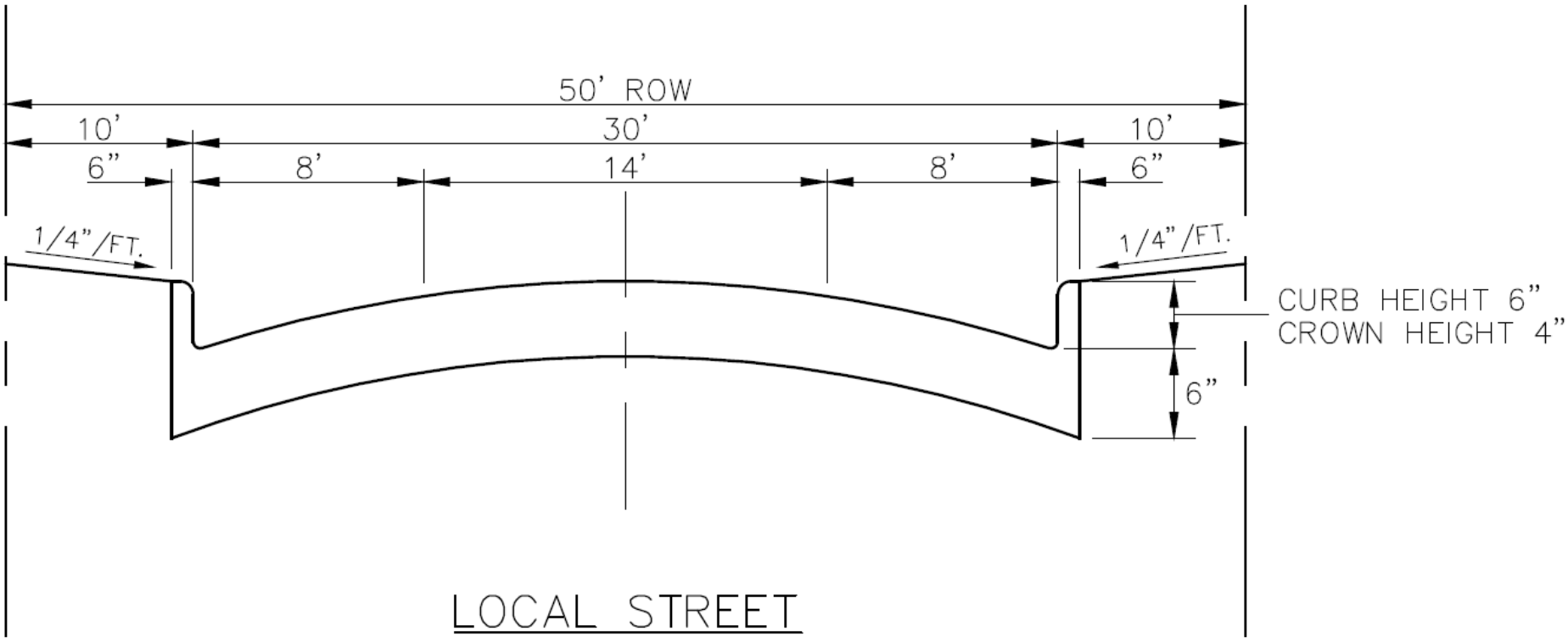
PRINCIPAL/MAJOR ARTERIAL
TYPICAL SECTION
NTS

Typical Roadway Sections and Design Standards



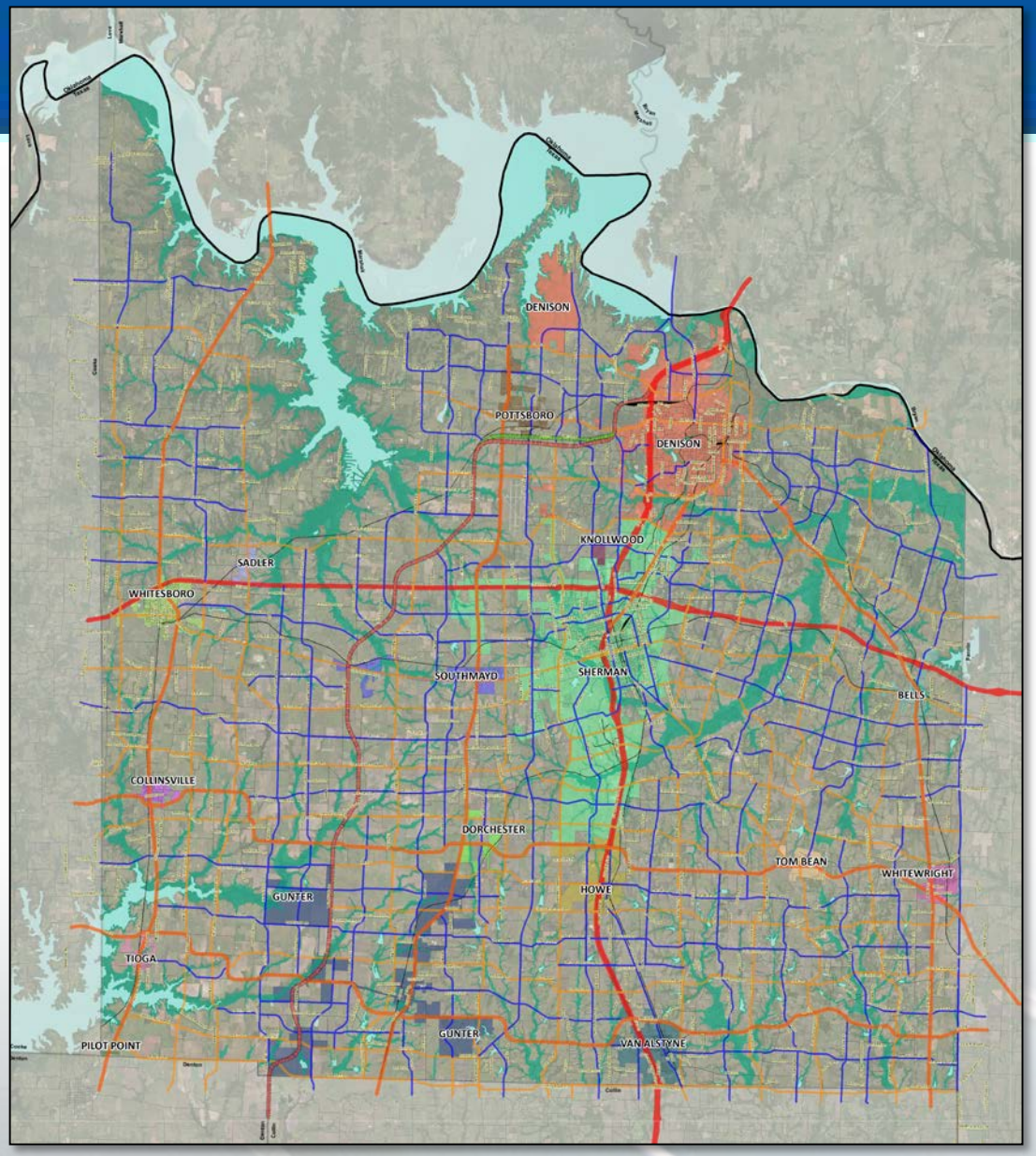
MINOR ARTERIAL
TYPICAL SECTION
NTS

Typical Roadway Sections and Design Standards



LOCAL STREET
TYPICAL SECTION
NTS

DRAFT Grayson County Thoroughfare Plan



- Tollways
- Freeways
- Principal Arterials
- Major Arterials
- Minor Arterials

Major Thoroughfares

North – South
- SH160
- US 69
- US 75
- SH 289
- GCT
- US 377

East – West
- FM 121
- FM 902
- US 82
- GCT

Next Steps – Thoroughfare Plan

- Comments
- Municipalities
- Travel Demand Model Update

Funding Sources – Traditional

- Developer Funding
- City or County Bonds
- County Vehicle Registration Fee Optimization
- Tolling – Regional Mobility Authority
- Transit Funding
- TxDOT – Federal Funding
  - Cat 1 – Preventive Maintenance and Rehabilitation
  - Cat 2 – Metropolitan and Urban Corridor Projects
  - Cat 4 – Statewide Connectivity Corridor Projects

Funding Sources – Traditional *(Continued)*

- TxDOT – Federal Funding *(continued)*
  - Cat 6 – Structures Replacement and Rehabilitation
  - Cat 7 – Metropolitan Mobility and Rehabilitation
  - Cat 8 – Safety
  - Cat 9 – Transportation Alternatives Program
  - Cat 10 – Supplemental Transportation Projects (Landscaping, RR, ADA Curb Ramps, etc.)
  - Cat 11 – District Discretionary
  - Cat 12 – Commission Strategic Priority

Funding Sources – Non-Traditional

- Tolling – Private Developer (City of Cibolo Example)
- Congressional or Legislative Priority Funding
- County Vehicle Registration Fee Optimization
- Transportation Reinvestment Zone (TRZ)
- Right of Way Purchase – Utility Relocation
- State Infrastructure Bank Loan
- Transportation Development Credits (Local match for Federal Funds)
- Potential New Federal Funding Program

Funding Sources – Next Steps

- Meet with TxDOT Paris District to identify existing and other potential funding sources
- Meet with TxDOT TPP Division to further discuss funding sources
- Once projects identified – Identify funding sources and evaluate opportunities to leverage funding to expedite or fund additional projects

QUESTIONS AND COMMENTS

Clay Barnett

903-813-5275

barnettc@co.grayson.tx.us

Supporting Slides (if needed)

Supporting Slides (if needed)

FIGURE 7

TxDOT Funding Sources and Categories

FEDERAL FUNDS

- Federal programs eligible for reimbursement

STATE HIGHWAY FUNDS

- Includes federal programs eligible for reimbursement
- Provides the required match on federally funded projects

NON-TRADITIONAL FUNDS

- Texas Mobility Fund
- Proposition 12
- Proposition 14
- Concessions/regional toll revenue
- Local Funds

12

TxDOT FUNDING CATEGORIES

1. Preventive Maintenance and Rehabilitation
2. Metropolitan and Urban Area Corridor Projects
3. Non-Traditionally Funded Transportation Projects
4. Statewide Connectivity Corridor Projects
5. Congestion Mitigation and Air Quality Improvement
6. Structures Replacement and Rehabilitation
7. Metropolitan Mobility and Rehabilitation
8. Safety
9. Transportation Alternatives Program
10. Supplemental Transportation Projects
11. District Discretionary
12. Strategic Priority

Overview of Project Selection by Category

The following table presents how funding is distributed, whether by allocation or project specific, to the responsible parties for project selection for each of the 12 Funding Categories.

Funding Category	Project Selection
1 - Preventive Maintenance and Rehabilitation	Projects selected by districts. The Texas Transportation Commission allocates funds through a formula allocation program.
2 - Metropolitan and Urban Area Corridor Projects	Projects selected by MPOs in consultation with TxDOT. The Texas Transportation Commission allocates funds through a formula allocation program.
3 - Non-Traditionally Funded Transportation Projects	Projects determined by legislation, Texas Transportation Commission approved Minute Order, and local government commitments.
4 - Statewide Connectivity Corridor Projects	Corridors are selected by the Commission based on engineering analyses of three corridor types; mobility, connectivity, and strategic. Funds are allocated by Commission to TxDOT districts. Districts select projects along approved corridors in consultation with MPO's, the Transportation Planning and Programming Division (TPP), and TxDOT Administration using a performance- based evaluation.
5 - Congestion Mitigation and Air Quality Improvement	Projects selected by MPOs in consultation with TxDOT. The Texas Transportation Commission allocates funds distributed by population and weighted by air quality severity to non attainment areas. Non-attainment areas are designated by the U.S. Environmental Protection Agency (EPA).
6 - Structures Replacement and Rehabilitation	Projects selected by the Bridge Division (BRG) based on a listing of eligible bridges prioritized first by deficiency categorization (structurally deficient followed by functionally obsolete) and then by sufficiency ratings. Railroad grade separation projects are selected based on a cost-benefit index rating. Projects in the BMIP are selected statewide based on identified bridge maintenance/improvement needs to aid in ensuring the management and safety of the state's bridge assets. The Texas Transportation Commission allocates funds through the Statewide Allocation Program.
7 - Metropolitan Mobility and Rehabilitation	Projects selected by MPOs operating in transportation management areas, in consultation with TxDOT. The Texas Transportation Commission allocates funds through a federal program, distributed to MPOs with an urbanized area population of 200,000 or greater (transportation management areas [TMAs]).

Funding Category	Funding Distribution
8 - Safety	Projects selected statewide by federally mandated safety indices and prioritized listing. Projects selected in the Systemic Widening Program are evaluated by roadway safety features for preventable severe crash types using total risk factor weights. The Texas Transportation Commission allocates funds through the Statewide Allocation Program.
9 - Transportation Alternatives Program	For urbanized areas with populations over 200,000, the MPO through a competitive process selects Transportation Alternatives Set-Aside Program (TA Set-Aside) projects in consultation with TxDOT. Funds allocated to small urban areas and non-urban areas (i.e., areas with populations below 200,000) are administered by TxDOT through a competitive process to be managed by the Public Transportation Division (PTN). TAP project eligibility is determined by TxDOT and FHWA. TxDOT staff makes recommendations to the Texas Transportation Commission for TAP allocation to areas less than 200,000 population. The Texas Transportation Commission, by written order, selects projects for funding under a TxDOT-administered TAP call for projects. Statewide TAP Flex projects are selected by the Texas Transportation Commission.
10 - Coordinated Border Infrastructure Program (CBI), Congressional High Priority Projects, and Federal Lands Access Program (FLAP)	CBI projects selected by districts with FHWA review and approval. Discretionary funds are congressionally designated. In FLAP, project applications are scored and ranked by the Programming Decision Committee (PDC). Members of the PDC include a representative from FHWA, a representative from TxDOT, and a member from a political subdivision of the state. Projects selected under FLAP are managed by TPP.
10 - Supplemental Transportation Projects: State Park Roads, Railroad Grade Crossing Replanking, Railroad Signal Maintenance, Landscape Incentive Awards, Green Ribbon Landscape Improvement, and Curb Ramp Program	The Texas Parks and Wildlife Department (TPWD) selects State Park Roads projects in coordination with districts. The TxDOT Rail Division in coordination with districts selects Railroad Grade Crossing Replanking and Railroad Signal Maintenance projects. Landscape Incentive Awards are distributed to 10 locations based on the results of the Keep Texas Beautiful Awards Program and managed by the TxDOT Design Division. Green Ribbon allocations are based on one-half percent of the estimated letting capacity for the TxDOT districts that contain air quality non-attainment or near non-attainment counties and managed by the TxDOT Design Division. Curb Ramp Program projects are selected based on conditions of curb ramps or the location of intersections without ramps, and are managed by the Design Division.
11 - District Discretionary	Projects selected by districts. The Texas Transportation Commission allocates funds through a formula allocation program. A minimum $2.5 million allocation goes to each district per legislative mandate. The Commission may supplement the funds allocated to individual districts on a case-by-case basis to cover project cost overruns, as well energy sector initiatives.
12 - Strategic Priority	The Texas Transportation Commission selects projects.

Transportation Reinvestment Zone

Home > Government > Programs

The demand for transportation infrastructure has far outpaced the resources of federal, state and local governments. So the Texas Legislature has established innovative methods of developing and financing transportation projects. One such tool local entities use to advance transportation projects is a transportation reinvestment zone (TRZ).

The local governing body designates a zone in which it will promote a transportation project. Once the zone is created, a base year is established, and the incremental increase in property tax revenue collected inside the zone is used to finance a project in the zone.

Eligibility and Program Details

Cites, counties and port authorities have the authority to set up a TRZ.

The city, county or port authority must make the following determinations in order to set up a zone:

- The proposed zone must be deemed underdeveloped.
- The area of the TRZ will 1) promote public safety; 2) facilitate the improvement, development or redevelopment of property; 3) facilitate the movement of traffic; and 4) enhance the local entity's ability to sponsor transportation projects.

Many local governments are familiar with tax increment reinvestment zones (TIRZ) and tax increment financing (TIF), but the TRZ is a recently created tool that allows for a broader range of transportation projects. A TRZ also does not require the local entity to create a board.

Process Overview

To establish a Transportation Reinvestment Zone:

1. Identify project/needs
2. Research for zone formation
3. Define boundaries
4. Hold public hearing
5. Pass the ordinance or order
6. Establish base year for tax collection
7. Determine tax increment through feasibility study for financing portion of project
8. Establish funding mechanism

Local Fee: The local fee is comprised of one or more fees assessed by your county of registration. Local fees vary from county to county and are established by county Commissioner's Courts. The amount listed under local fees may range from $0 to $31.50 depending on your county of registration.

All counties may charge a fee of up to $10 for deposit into their county road and bridge fund. Certain counties are permitted to assess an additional fee for transportation not to exceed $20 to fund long-term transportation projects in the county. All counties may also assess a child safety fee of up to $1.50 to promote child safety programs including health and nutrition education and school crossing guards. For more information, please see our current registration fee chart at the bottom of this page.

2016 - 130,070 Vehicles Registered in Grayson County

TEXAS REGISTRATION FEES

EFFECTIVE January 1, 2018 **EXPIRES December 31, 2018**

STATE LAW ALLOWS THE COLLECTION OF LOCAL FEES AT THE TIME OF VEHICLE REGISTRATION

Below are local fees collected with vehicle registration fees through the County Tax Assessor-Collector's office.
The total fee on the registration renewal notice includes applicable local fees.

Anderson $10.25	Brazos $11.50	Coke $10	Denton $11.50	Freestone $10	Harris $11.50	Jasper $10	Lampasas $11.50	McLennan $11.50	Orange $10	Rusk $11	Taylor $10	Wharton $10
Andrews $7	Brewster $10	Coleman $10	DeWitt $10	Frio $11.50	Harrison $11.50	Jeff Davis $11.50	La Salle $10	McMullen 0	Palo Pinto $10	Sabine $11	Terrell $10	Wheeler $6.50
Angelina $10	Briscoe $10	Collin $11.50	Dickens $10	Gaines 0	Hartley $10	Jefferson $10	Lavaca $10	Medina $10	Panola $1.50	San Augustine $11.50	Terry $10	Wichita $10
Aransas $10	Brooks $11.50	Collingsworth $10	Dimmitt $11.50	Galveston $10	Haskell $10	Jim Hogg $11.50	Lee $10	Menard $11.50	Parker $10	San Jacinto $11.50	Throckmorton $10	Wilbarger $10
Archer $10	Brown $11.50	Colorado $10	Donley $10	Garza $10	Hays $10	Jim Wells $11.50	Leon $10	Midland $10	Parmer $10	San Patricio $11.50	Titus $10	Willacy $10
Armstrong $10	Burleson $10.75	Comal $11.50	Duval $10	Gillespie $11.50	Hemphill $5	Johnson $11.50	Liberty $10	Milam $10	Pecos $10	San Saba $10	Tom Green $11.50	Williamson $11.50
Atascosa $10	Burnet $11.50	Comanche $10	Eastland $10	Glasscock $10	Henderson $10	Jones $10	Limestone $10	Mills $11.50	Polk $11.50	Schleicher $10	Travis $11.50	Wilson $10
Austin $10	Caldwell $11.50	Concho $10	Ector $10	Goliad $10	Hidalgo $20	Karnes $10	Lipscomb $10	Mitchell $10	Potter $10	Scurry $10	Trinity $11.50	Winkler $7.50
Bailey $10	Calhoun $10	Cooke $10	Edwards $11.00	Gonzales $10	Hill $10	Kaufman $11.50	Live Oak $10	Montague $10	Presidio $10	Shackelford $10	Tyler $11	Wise $10
Bandera $10	Callahan $10	Coryell $10	Ellis $10	Gray $10	Hockley $10	Kendall $11	Llano $11.50	Montgomery $10	Rains $11.50	Shelby $11.50	Upshur $10	Wood $10
Bastrop $10	Cameron $21.50	Cottle $10	El Paso $20	Grayson $10	Hood $10	Kenedy 0	Loving 0	Moore $10	Randall $10	Sherman $10	Upton $5	Yoakum $10
Baylor $10	Camp $10.50	Crane 0	Erath $10	Gregg $9	Hopkins $10	Kent 0	Lubbock $10	Morris $10	Reagan $10	Smith $11.50	Uvalde $10	Young $10
Bee $10	Carson $10	Crockett $5	Falls $11	Grimes $10	Houston $10	Kerr $10	Lynn $10	Motley $10	Real $10	Somervell $10	Val Verde $10	Zapata $11.50
Bell $11.50	Cass $10	Crosby $10	Fannin $10	Guadalupe $11.50	Howard $10	Kimble $10	Madison $10	Nacogdoches $10	Red River $10	Starr $10	Van Zandt $11.50	Zavala $11.50
Bexar $21.50	Castro $10	Culberson $10	Fayette $10	Hale $10	Hudspeth $10	King 0	Marion $10	Navarro $10	Reeves $10	Stephens $10	Victoria $10	
Blanco $11.50	Chambers $11	Dallam $10	Fisher $10	Hall $10	Hunt $11	Kinney $10	Martin $10	Newton $10	Refugio $10	Sterling 0	Walker $10	
Borden 0	Cherokee $10	Dallas $10	Floyd $10	Hamilton $10	Hutchinson $10	Kleberg $10	Mason $11.50	Nolan $10	Roberts $5	Stonewall $10	Waller $10	
Bosque $10	Childress $10	Dawson $10	Foard $10	Hansford $10	Irion $10	Knox $10	Matagorda $10	Nueces $10	Robertson $11.50	Sutton $10	Ward 0	
Bowie $10	Clay $10	Deaf Smith $10	Fort Bend $11.50	Hardeman $10	Jack $10	Lamar $10	Maverick $11.50	Ochiltree $10	Rockwall $10	Swisher $10	Washington $10	
Brazoria $10	Cochran $10	Delta $10	Franklin $10	Hardin $10	Jackson $10	Lamb $10	McCulloch $11.50	Oldham $10	Runnels $10	Tarrant $10	Webb $20	

2016 - 130,070 Vehicles Registered in Grayson County

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Presentation from Community and Support Services Manager Nate Strauch regarding the "Neighborhood Refresh Initiative"

Issue:

The "Neighborhood Refresh Initiative"

Background:

One of the Council's priorities during the 2017 budget process was the creation of an initiative to help clean-up blighted properties around Sherman. The program envisioned and since implemented by City staff - nicknamed the "Neighborhood Refresh Initiative" - focuses proactive efforts by City departments on one area of the city each quarter of the year, beginning with the southwest quarter and continuing counterclockwise as the year proceeds. The program launched in October of 2017.

As a way to track the City's efforts, staff recommended partnering with Tolemi, a provider of analytics software for government institutions. The company's product, called BuildingBlocks, serves as a one-stop clearinghouse for information gleaned across several different databases used by several City departments.

With the initiative now well into its second quarter, and with the customized software nearing completion, City staff wants to provide an update on the "Neighborhood Refresh Initiative", as well as a brief tour of BuildingBlocks' current usefulness and possible future applications.

Origination:

Assistant City Manager Steve Ayers
Community and Support Services Manager Nate Strauch

Financial Consideration:

The cost of the city-wide analytic software is $7,500.00 per year.

Staff Recommendation:

The Council need take no action on this agenda item - it is for informational purposes only.

Alternatives:

As directed by Council

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Setting the Public Hearing on a Proposed Agreement with West Moore Solar, LLC/West Moore Solar II, LLC, for the Abatement of Ad Valorem Property Taxes for Improvements within Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas

Issue:

To consider setting a public hearing on a proposed tax abatement agreement for the City Council's regular meeting on Monday, April 2, 2018

Background:

The Tax Reinvestment Committee met on February 27, 2018, to discuss a tax abatement request from West Moore Solar, LLC/West Moore Solar II, LLC ("West Moore Solar") for a project to invest $1.1 million in real property and $10 to $12 million in equipment at its solar energy facility located in the 900-2000 blocks of West Moore Street, between Center Street and Park Avenue, in Sherman and situated within Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas. The taxable value of West Moore Solar's current property carries an agricultural exemption; and it will be returned to the tax rolls at its full value of $1.1 million.

At the February 6, 2017 meeting, the City Council approved a Specific Use Permit to allow a solar energy facility at this location. The proposed solar farm will contain rows of Photovoltaic cell panels mounted on posts in the ground individually. These rows of panels are referred to as "solar arrays" and will be mounted on a tracking system so they follow the sun throughout the day. The panels will face east in the morning, be horizontal at midday, and face west in the afternoon to maximize energy generation. They will not produce any noise. Solar components will comply with the current edition of the National Electric Code, be UL listed (or equivalent), and be designed with an anti-reflective coating. Power generated from the solar farm will be sold to Oncor for use by consumers to replace energy produced from a non-renewable source. West Moore Solar Farm plans to be in operation in Spring 2018 with one full-time employee.

The Committee voted to recommend an abatement and the creation of the Zone to the City Council and other taxing entities. The law requires that a reinvestment zone be established prior to a tax abatement being granted for eligible projects. Ordinance No. 6101, creating Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas, necessary for consideration of this tax abatement, is scheduled for public hearing and adoption at this meeting.

The Committee agreed to propose a five (5) year tax abatement of 50% each year, in accordance with the City's current tax abatement matrix. With the City Council's approval of this agenda item, approval of this abatement agreement will be considered at the April 2, 2018 Council meeting.

Origination:

West Moore Solar, LLC/West Moore Solar II, LLC, Applicant
Tax Reinvestment Committee

Financial Consideration:

Estimated total taxes at the current tax rate and value over the five-year abatement period are $238,000.00, with an estimated benefit to the taxpayer of $119,000.00.

Staff Recommendation:

The staff recommends that the City Council set a public hearing on the proposed tax abatement agreement for the regular Monday, April 2, 2018 Council meeting.

Alternatives:

No alternatives are recommended.

Attachments

Proposed Tax Abatement Agreement w/Exhibits A and B

TAX ABATEMENT AGREEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

THIS TAX ABATEMENT AGREEMENT ("Agreement") is made and entered into as of the _____ day of _____, 2018 (the "Effective Date"), by and among the City of Sherman, Texas, a home rule city and municipal corporation of Grayson County, Texas, duly acting herein by and through its Mayor ("City"); and West Moore Solar, LLC/West Moore Solar II, LLC ("West Moore Solar"), acting by and through its authorized officers, for the purposes and considerations stated below:

W I T N E S S E T H:

WHEREAS, on the 19th day of March, 2018 the City Council of the City ("City Council") passed Ordinance No. 6101 ("Ordinance") establishing Industrial Reinvestment Zone, Number 032018-01, City of Sherman, Texas ("Zone"), for commercial-industrial tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended ("Code"); and

WHEREAS, the City has adopted Guidelines and Criteria for the Industrial Tax Abatement Program ("Guidelines"), by the passage of Resolution No. 6080, on the 16th day of May, 2016; and

WHEREAS, the City's current Guidelines are attached as **Exhibit A** hereto; and

WHEREAS, the Guidelines constitute appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as contemplated by Chapter 312 of the Code; and

WHEREAS, the City has adopted a resolution stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, West Moore Solar currently owns the Premises, as hereinafter defined, and West Moore Solar expects to invest $10 to $12 million in facility and personal property ("The Improvements") on the Premises and return $1.1 million of agriculturally exempted land to the tax roll. The Improvements and use of the Premises is expected to significantly enhance the economic base of the City; and

WHEREAS, the City Council also finds that the improvements sought are feasible and practical and would be of benefit to the land to be included in the Zone and to the City after expiration of this Agreement; and

WHEREAS, the City Council finds that the terms of this Agreement and the Premises and proposed Qualified Facilities, as hereinafter defined, meet the applicable guidelines and criteria heretofore adopted by the City Council; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Premises is located;

NOW, THEREFORE, the City, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the attraction of major investment in the Zone that contributes to the economic development of the City and enhancement of the tax base in the City and Grayson County, Texas; and

West Moore Solar, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the tax abatement set forth herein below, as authorized by Sections 312.201 through 312.211 of the Code, does hereby contract, covenant and agree as follows:

I.
DEFINITIONS

Wherever used in this Agreement, the following capitalized terms shall have the meanings ascribed to them:

A. "WEST MOORE SOLAR AFFILIATE" shall mean any Person, directly or indirectly controlling, controlled by, or under common control with West Moore Solar. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

B. "EFFECTIVE DATE" shall have the meaning given it in the introductory paragraph of this Agreement.

C. "ELIGIBLE PROPERTY VALUE" shall mean (i) with respect to each Qualified Facility for a particular tax year, the value of such Qualified Facility on the tax rolls of the Grayson Appraisal District as of such tax year; and (ii) with respect to business personal property located on the Premises for a particular tax year, the value of such business personal property on the tax rolls of the Grayson Appraisal District as of such tax year.

D. "FORCE MAJEURE" shall mean, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the City's legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of West Moore Solar (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

E. "PERSON" shall mean an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

F. "PREMISES" shall mean all that parcel of land owned by West Moore Solar as hereinafter described in **Exhibit B** attached hereto.

G. "QUALIFIED FACILITIES" shall mean any building, improvement, structure, fixture, parking or paving constructed on the Premises.

H. "REAL PROPERTY" and "PERSONAL PROPERTY" shall, for the purposes of this agreement, be defined by the Texas Tax Code.

II.
GENERAL PROVISIONS

A. All procedures followed by the City shall conform to the requirements of the Code, and shall be undertaken in coordination with West Moore Solar's corporate, public, employee, and business relations requirements.

B. The Premises will be owned by West Moore Solar or a West Moore Solar Affiliate, which Premises are located solely within the city limits of the City and solely within the Zone.

C. The Premises are not in an improvement project financed by tax increment bonds.

D. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City; provided, however, that this section shall not be construed to create a security interest in the Premises or Qualified Facilities in favor of such holders of outstanding bonds of the City.

E. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of the City or any member of the governing body of any taxing unit joining in or adopting this Agreement.

F. This Agreement is intended to comply with the requirements of Section 312.204 of the Code and is authorized by the Texas Property Redevelopment and Tax Abatement Act of the Texas Tax Code, Chapter 312, by the Guidelines and by resolution of the City Council authorizing execution of this Agreement.

G. During the period of the tax abatement herein authorized, West Moore Solar shall be subject to all applicable City taxation not specifically abated or exempted, including but not limited to, sales tax and ad valorem taxation on land, inventory and supplies.

III.
CONDITION PRECEDENT TO TAX ABATEMENT

As a condition precedent to a tax abatement under this Agreement, West Moore Solar or a West Moore Solar Affiliate must substantially locate all Improvements to the Premises by January 1, 2019.

IV.
TERM AND ABATEMENT PERIOD

A five (5) year tax abatement period permitted by law is hereby granted with respect to all Improvements located therein or otherwise on the Premises, as indicated in Section VI below. The tax abatement period shall commence to run beginning no later than January 1, 2019.

V.
INITIAL AND MINIMUM TAX LIABILITY

A. For the purposes of this Agreement, the Improvements shall reflect a minimum original acquisition cost of $10 million.

B. During the period of tax abatement herein authorized, West Moore Solar shall be liable to the City for a minimum taxable value assigned under Sec. V.A. for all property covered under this Agreement.

VI.
RATE, SCOPE, CONDITIONS AND COVENANTS

The rate and scope and additional conditions of tax abatement shall be as follows:

A. Annual Rates of Abatement – The following shall be the annual rates of tax abatement on the Improvements for the real property and the business personal property located therein and subject to this Agreement:

Year	*Percentage of Property Taxes Abated*
1	50%
2	50%
3	50%
4	50%
5	50%

B. Operation Covenant. West Moore Solar shall operate the Facility in accordance with prudent industry standards and applicable law.

C. Property Tax Covenant. Throughout the term of this Agreement, West Moore Solar shall timely pay all property taxes for the Premises and real and business personal property located therein due and owing by it to all relevant taxing jurisdictions.

D. Management Change Notice Covenant. During the term of this Agreement, West Moore Solar shall notify the City in writing of any change of the manager of West Moore Solar within seven (7) days of such change.

VII.
REPORTING AND MONITORING

West Moore Solar agrees to the following reporting and monitoring provisions, and failure to fully and timely comply with any one requirement shall constitute an event of default:

A. Not later than January 31 of each applicable year, West Moore Solar shall submit to the City a certification from West Moore Solar as to the conditions set forth in Section VI.B., C., and D.

B. West Moore Solar shall provide to the City a semi-annual report certifying the status of compliance through the life of the Agreement of new investments and any other relevant information.

C. West Moore Solar, during normal business hours, at its headquarters or at the Sherman plant location, shall allow to the City, its agents and employees, reasonable access to its books and records that are related to the described economic development consideration and incentives, to verify records related to economic development considerations and incentives, but the confidentiality of such records will be maintained.

D. West Moore Solar further covenants and agrees that the City, its agents and employees, shall have a continuing and reasonable right of access to the real property, together with all Premises, Qualified Facilities and Improvements, at reasonable times and with reasonable notice to West Moore Solar, and in accordance with West Moore Solar's visitor access and security policies, in order to inspect the Premises, Qualified Facilities and Improvements to insure that the installation of the Improvements is in accordance with this Agreement and that all applicable state and local laws, ordinances and regulations are being followed. City, its agents and employees, shall defend, indemnify, and hold harmless West Moore Solar from any damages or liability to persons or property arising from City, its agents and employees, entry upon West Moore Solar's Property, unless such injury is caused by the sole negligence of West Moore Solar, to the extent permitted by law.

E. The Premises at all times shall be used in a manner that is consistent with the general purpose of encouraging development within the Zone.

VIII.
BREACH/FAILURE TO MEET CERTAIN CONDITIONS

In the event that West Moore Solar breaches any of the terms or conditions of this Agreement, then West Moore Solar shall be in default of this Agreement. In the event West Moore Solar defaults in its performance, the City shall give West Moore Solar written notice of such default/failure of condition and, if West Moore Solar has not cured such default/failure of condition within sixty (60) days of said written notice, then this Agreement may be terminated by the City; provided, however, that if such default is not reasonably susceptible of cure within such sixty (60) day period and West Moore Solar has commenced and is pursuing the cure of same, then, after first advising the City Council of West Moore Solar's efforts to cure same, West Moore Solar may utilize an additional ninety (90) days for such purposes. Additional time, i.e., time in addition to the foregoing one hundred fifty (150) days, may be authorized by the City Council. City's sole and exclusive remedy against any Person for any breach or failure of condition under this Agreement, in the event of default after the expiration of the applicable notice and cure periods, shall be that this Agreement shall terminate and all future tax abatements under this Agreement shall be void (it being understood that the City shall not be entitled to any repayment of tax abatements under this Agreement, except as provided in Section IX below, and it being further understood that the failure to meet a covenant set forth in Section VI.B., C. or D. for any year is not a breach and results only in the loss to the right to abatement for such year). Notwithstanding any provision in this Agreement to the contrary, neither West Moore Solar nor any other Person shall be required to pay any amounts to the City under this Agreement, with the only remedy being the loss of future tax abatements.

IX.
CONTINUITY OF OPERATIONS

Notwithstanding Section VI.A. above, if for any reason operations are suspended or cease at any point during the term of this Agreement, then no tax abatements under this Agreement shall be provided. Further, in the event of any cessation of operations, or abandonment of Premises by West Moore Solar, all previously abated taxes are immediately due to the City.

X.
EFFECT OF SALE, ASSIGNMENT OR LEASE OF PROPERTY

This Agreement shall be binding on and inure to the benefit of the Parties and all West Moore Solar Affiliates, their respective successors and assigns. Neither Party may assign its rights and duties hereunder, in whole or in part, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that West Moore Solar may assign this Agreement and all of its rights hereunder to any Affiliate. In addition, this Agreement and all rights hereunder may be assigned for the benefit of any Financing Party including, but not limited to, an assignment to such Parties upon a foreclosure. Any assignment in violation of this Section X shall not affect any rebates with respect to which West Moore Solar or any West Moore Solar Affiliate is already entitled.

XI.
NOTICE

All notices called for or required by this Agreement shall be addressed to the following, or such other Party or address as either Party designates in writing, by certified mail, postage prepaid or by hand delivery:

West Moore Solar:
Aaron Wilson
Senior Developer
Cypress Creek Renewables
Owner Representative
3250 Ocean Park Blvd
Santa Monica, CA 90405

City:
City Manager
City of Sherman
220 West Mulberry Street
P. O. Box 1106
Sherman, Texas 75091-1106

XII.
CITY COUNCIL AUTHORIZATION

This Agreement was authorized by resolution of the City Council that was approved by the affirmative vote of a majority of the City Council at its regularly scheduled City Council meeting on the 2nd day of April, 2018 authorizing the Mayor to execute this Agreement on behalf of the City.

XIII.
WEST MOORE SOLAR AUTHORIZATION

An authorized representative of West Moore Solar entered into this Agreement.

XIV.
SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

XV.
ESTOPPEL CERTIFICATE

Any Party hereto may request an estoppel certificate from another Party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which will upon request be addressed to a subsequent purchaser or assignee of West Moore Solar, shall include, but not necessarily be limited to, statements (to the actual knowledge of the Party providing such) that this Agreement is in full force and effect without default (or if default exists, the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably

requested by the Party(ies) to receive the certificate. The City Manager for the City shall provide any such certificate on behalf of the City.

XVI.
APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be in a court located in Grayson County, Texas.

XVII.
INDEMNIFICATION

A. IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE CITY IN THIS AGREEMENT, WEST MOORE SOLAR SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS COUNCILMEMBERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "CITY'S INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) WEST MOORE SOLAR'S PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS AGREEMENT.

B. Notice of Indemnified Loss. The City's Indemnified Party shall promptly notify West Moore Solar of any indemnified Losses or Claim for indemnified Losses in respect of which the City's Indemnified Party may be entitled to indemnification under this Section XVII. Such notice shall be given as soon as reasonably practicable after the City's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third Party Claims. In the event any action or proceeding shall be brought against the City's Indemnified Party by reason of any matter for which the City's Indemnified Party is indemnified hereunder, West Moore Solar shall, upon notice from the City's Indemnified Party or its authorized agents or representatives, at West Moore Solar's sole cost and expense, resist and defend the same with legal counsel selected by West Moore Solar; provided, however, that West Moore Solar shall not admit liability in any such matter on behalf of the City's Indemnified Party. West Moore Solar's obligation to defend shall apply regardless of whether the City's Indemnified Party is solely or concurrently negligent. Nothing herein shall be deemed to prevent the City's Indemnified Party at its election and at its own expense from cooperating with West Moore Solar and participating in the defense of any litigation by their own counsel. If West Moore Solar fails to retain defense counsel within seven (7) business days after receipt of City's Indemnified Party written notice that the City's Indemnified Party is invoking its right to indemnification under this Agreement, the City's Indemnified Party shall have the right to retain defense counsel on their own behalf, and West Moore Solar shall be liable for all usual and customary defense costs incurred by the City's Indemnified Party.

D. Limitation on Indemnity. The amount owing to an Indemnified Party will be the amount of the Indemnified Party's Losses net of any insurance proceeds received by the indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

XVIII.
ENTIRE AGREEMENT

This Agreement constitutes the entire Tax Abatement Agreement between the Parties, supersedes any prior understanding or written or oral tax abatement agreements or representations between the Parties, and can be modified only by written instrument subscribed to by all Parties. Notwithstanding the foregoing provision, this Agreement does not modify, alter, or amend any other agreement or instrument among the City and West Moore Solar relating to matters other than the abatement of real property taxes with respect to the Premises and the Qualified Facilities and business personal property located on the Premises. This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original.

EXECUTED the _____ day of _____, 2018.

CITY OF SHERMAN, TEXAS

By: _____
David Plyler
Mayor

ATTEST:

By: _____
Linda Ashby
City Clerk

CITY OF SHERMAN, TEXAS
APPROVED AS TO FORM:

By: _____
Brandon S. Shelby
City Attorney

WEST MOORE SOLAR, LLC/WEST MOORE SOLAR II, LLC

By:	_____
Name:	**Aaron Wilson**
Title:	**Senior Developer, Cypress Creek Renewables, and Owner Representative**
Address:	**3250 Ocean Park Blvd** **Santa Monica, CA 90405**

MAYOR'S ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared David Plyler, Mayor of the City of Sherman, Texas, a municipal corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, Texas, a municipal corporation, that she was duly authorized to perform the same by appropriate resolution of the City Council for the City of Sherman and that she executed the same as the act of the said City for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, A.D., 2018.

_____
Notary Public in and for the State of Texas

_____
(Typed/Printed Name of Notary)

My Commission Expires:

_____

WEST MOORE SOLAR ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF GRAYSON §
CITY OF SHERMAN §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Aaron Wilson, Senior Developer, Cypress Creek Renewables and Owner Representative for West Moore Solar LLC/West Moore Solar II, LLC, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me he executed the same as a duly authorized officer of such corporation, and as the act and deed of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, A.D., 2018.

_____
Notary Public in and for the State of Texas

_____
(Typed/Printed Name of Notary)

My Commission Expires:

_____

EXHIBIT A
TO TAX ABATEMENT AGREEMENT

Comprehensive Guidelines

RESOLUTION NO. 6080

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

WHEREAS, by Resolution No. 5862, passed and approved on June 2, 2014, the City of Sherman declared its eligibility and intention to participate in the Tax Abatement Program to promote development/redevelopment in certain areas of the City and adopted Tax Abatement Guidelines and Criteria for use in all Tax Abatement Programs; and

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

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

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

CITY OF SHERMAN'S
RENEWED INDUSTRIAL AND COMMERCIAL
TAX ABATEMENT GUIDELINES AND CRITERIA

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

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

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

4. The City Council of the City of Sherman will approve or deny a tax abatement request based upon the subjective evaluation of the following guidelines and criteria. The Council may

consider any advisory recommendations received from the Tax Reinvestment Advisory Committee as it may choose:

- **Employment Impact**

  How many jobs will be created by this project?

  How many current jobs will be retained by this project?

  What types of jobs will be created or retained?

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

- **Fiscal Impact**

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

  What is the economic life to the additional property?

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

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

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

- **Community Impact**

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

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

  What is the environmental impact of the project?

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

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

PASSED AND APPROVED on this the 16th day of May, 2016.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

EXHIBIT B
TO TAX ABATEMENT AGREEMENT

The Premises

Field Notes

Being a 112.6372 acres part of a called 211.4 acres tract of land situated in the Elizabeth Jones Survey, Abstract No. 625 in the City of Sherman, Grayson County, Texas with said 211.4 acres tract being referred to as Tract 1-A by deed to SSCGC Holdings, LLC, a Texas Limited Liability Company as recorded in Volume 5232, Page 220, Official Records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with plastic cap stamped "PLS INC" (typical) for corner at the Northwest corner of the herein described tract and being at the Southwest corner of a called 2.042 acres tract of land conveyed to the City of Sherman and referred to as Tract Seventeen as recorded in Volume 3566, Page 616, Deed Records, Grayson County, Texas;

THENCE North 74 degrees 03 minutes 22 seconds East (called North 75 degrees 09 minutes 59 seconds East by Deed), along the common line of said City of Sherman 2.042 acres tract and said 211.4 acres tract, a distance of 302.44 feet (called 302.42 feet by Deed) to a 5/8 inch iron rod set for corner;

THENCE North 74 degrees 26 minutes 01 seconds East (called North 75 degrees 32 minutes 52 seconds East by Deed), along the common line of said City of Sherman 2.042 acres tract and said 211.4 acres tract, a distance of 297.58 feet to a 5/8 inch iron rod set for corner;

THENCE North 75 degrees 04 minutes 37 seconds East (called North 75 degrees 32 minutes 52 seconds East by Deed), along the common North line of said 211.4 acres tract and South line of a remaining part of a called 65.0993 acres tract conveyed to William W. Collins, Jr. and wife, Margaret Binkley Collins by Deed as recorded in Volume 1517, Page 629, said Deed Records, a distance of 708.88 feet to a 5/8 inch iron rod set for corner; being at the Southwest corner of a tract of land conveyed to 1401-1405 West Moore, LLC by Deed as recorded in Volume 5114, Page 118, said Official Records;

THENCE North 75 degrees 04 minutes 34 seconds East (called North 75 degrees 50 minutes 57 seconds East by Deed), along the common line of said 211.4 acres tract and said 1401-1405 West Moore, LLC tract, in the general line of a fence, a distance of 915.49 feet to a 5/8 inch iron rod set for corner;

THENCE South 21 degrees 01 minutes 41 seconds East, over and across said 211.4 acres tract, a distance of 134.57 feet to a 5/8 inch iron rod set for corner;

THENCE South 12 degrees 45 minutes 57 seconds West, continuing over and across said 211.4 acres tract, a distance of 1633.65 feet to a 5/8 inch iron rod set for corner;

THENCE South 36 degrees 36 minutes 39 seconds West, continuing over and across said 211.4 acres tract, a distance of 748.32 feet to a 5/8 inch iron rod set for corner;

THENCE South 54 degrees 49 minutes 17 seconds East, continuing over and across said 211.4 acres tract, a distance of 244.84 feet to a "MAG" spike set for corner in the general centerline of West Moore Street (a public road);

THENCE South 33 degrees 15 minutes 23 seconds West (called South 34 degrees 18 minutes 38 seconds West by Deed), along the general centerline of said West Moore Street, a distance of 891.89 feet to a "MAG" spike set for corner in the general centerline of said West Moore Street;

THENCE South 89 degrees 27 minutes 45 seconds West, departing said West Moore Street, over and across said 211.4 acres tract, a distance of 1745.71 feet to a 5/8 inch iron rod set for corner; being in the Westerly line of said 211.4 acres tract and the Easterly line of a called 83.311 acres tract of land conveyed to the City of Sherman as recorded in Volume 1288, Page 650, said Deed Records;

THENCE along the common lines of said 211.4 acres tract and said 83.311 acres City of Sherman tract the following courses and distances:

North 10 degrees 31 minutes 43 seconds West (called North 09 degrees 25 minutes 06 seconds West by Deed), a distance of 5.65 feet to a 5/8 inch iron rod set for corner;

South 89 degrees 43 minutes 17 seconds West (called North 89 degrees 10 minutes 06 seconds West by Deed), a distance of 18.00 feet to a 5/8 inch iron rod set for corner;

North 10 degrees 31 minutes 43 seconds West (called North 09 degrees 25 minutes 06 seconds West by Deed), a distance of 159.90 feet (159.92 feet by Deed) to a 5/8 inch iron rod set for corner;

North 35 degrees 55 minutes 04 seconds East (called North 37 degrees 01 minutes 54 seconds East by Deed), a distance of 232.67 feet (232.66 feet by Deed) to a 5/8 inch iron rod set for corner;

South 87 degrees 58 minutes 43 seconds East (called South 86 degrees 52 minutes 06 seconds East by Deed), a distance of 50.00 feet to a 5/8 inch iron rod set for corner;

North 42 degrees 05 minutes 17 seconds East (called North 43 degrees 11 minutes 54 seconds East by Deed), a distance of 110.00 feet to a 5/8 inch iron rod set for corner;

North 11 degrees 55 minutes 17 seconds East (called North 13 degrees 01 minutes 54 seconds East by Deed), a distance of 283.10 feet to a 5/8 inch iron rod set for corner;

North 55 degrees 53 minutes 17 seconds East (called North 56 degrees 59 minutes 54 seconds East by Deed), a distance of 248.85 feet to a 5/8 inch iron rod set for corner;

North 11 degrees 47 minutes 17 seconds East (called North 12 degrees 53 minutes 54 seconds East by Deed), a distance of 110.00 feet to a 5/8 inch iron rod set for corner;

South 62 degrees 26 minutes 43 seconds East (called South 61 degrees 20 minutes 06 seconds East by Deed), a distance of 102.73 feet to a 5/8 inch iron rod set for corner;

South 18 degrees 15 minutes 43 seconds East (called South 17 degrees 09 minutes 06 seconds East by Deed), a distance of 45.00 feet to a 5/8 inch iron rod set for corner;

South 49 degrees 21 minutes 43 seconds East (called South 48 degrees 15 minutes 06 seconds East by Deed), a distance of 50.00 feet to a 5/8 inch iron rod set for corner;

North 25 degrees 16 minutes 17 seconds East (called North 26 degrees 22 minutes 54 seconds East by Deed), a distance of 38.00 feet to a 5/8 inch iron rod set for corner;

North 18 degrees 15 minutes 43 seconds West (called North 17 degrees 09 minutes 06 seconds West by Deed), a distance of 37.00 feet to a 5/8 inch iron rod set for corner;

North 25 degrees 57 minutes 17 seconds East (called North 27 degrees 03 minutes 54 seconds East by Deed), a distance of 95.54 feet to a 5/8 inch iron rod set for corner;

North 40 degrees 58 minutes 17 seconds East (called North 42 degrees 04 minutes 54 seconds East by Deed), a distance of 90.00 feet to a 5/8 inch iron rod set for corner;

South 65 degrees 48 minutes 59 seconds East (called South 64 degrees 42 minutes 06 seconds East by Deed), a distance of 170.02 feet (170.00 feet by Deed) to a 5/8 inch iron rod set for corner;

South 71 degrees 32 minutes 33 seconds East (called South 70 degrees 26 minutes 06 seconds East by Deed), a distance of 235.24 feet (235.26 feet by Deed) to a 5/8 inch iron rod set for corner;

South 83 degrees 47 minutes 43 seconds East (called South 82 degrees 41 minutes 06 seconds East by Deed), a distance of 160.00 feet to a 5/8 inch iron rod set for corner;

South 40 degrees 27 minutes 43 seconds East (called South 39 degrees 21 minutes 06 seconds East by Deed), a distance of 208.00 feet to a 5/8 inch iron rod set for corner;

North 31 degrees 51 minutes 28 seconds West (called North 30 degrees 45 minutes 06 seconds East by Deed), a distance of 274.09 feet (274.10 feet by Deed) to a 5/8 inch iron rod set for corner;

North 74 degrees 10 minutes 43 seconds West (called North 73 degrees 04 minutes 06 seconds West by Deed), a distance of 73.00 feet to a 5/8 inch iron rod set for corner;

North 47 degrees 01 minutes 43 seconds West (called North 45 degrees 55 minutes 06 seconds West by Deed), a distance of 219.48 feet to a 5/8 inch iron rod set for corner;

North 35 degrees 40 minutes 43 seconds West (called North 34 degrees 34 minutes 06 seconds West by Deed), a distance of 377.10 feet to a 5/8 inch iron rod set for corner;

North 36 degrees 43 minutes 59 seconds East (called North 37 degrees 50 minutes 54 seconds East by Deed), a distance of 160.95 (160.97 feet by Deed) feet to a 5/8 inch iron rod set for corner;

South 84 degrees 17 minutes 23 seconds East (called South 83 degrees 10 minutes 06 seconds East by Deed), a distance of 35.02 feet (35.00 feet by Deed) to a 5/8 inch iron rod set for corner;

North 46 degrees 15 minutes 17 seconds East (called North 47 degrees 21 minutes 54 seconds East by Deed), a distance of 100.00 feet to a 5/8 inch iron rod set for corner;

North 84 degrees 17 minutes 06 seconds West (called North 83 degrees 10 minutes 06 seconds West by Deed), a distance of 60.02 feet (60.00 feet by Deed) to a 5/8 inch iron rod set for corner;

North 13 degrees 17 minutes 17 seconds West (called North 12 degrees 11 minutes 06 seconds West by Deed), a distance of 174.63 feet to a 5/8 inch iron rod set for corner;

North 47 degrees 53 minutes 58 seconds East (called North 49 degrees 00 minutes 54 seconds East by Deed), a distance of 117.88 feet (177.90 feet by Deed) to a 5/8 inch iron rod set for corner;

North 53 degrees 35 minutes 17 seconds East (called North 54 degrees 41 minutes 54 seconds East by Deed), a distance of 122.60 feet to a 5/8 inch iron rod set for corner;

North 39 degrees 58 minutes 17 seconds East (called North 41 degrees 04 minutes 54 seconds East by Deed), a distance of 122.60 feet to a 5/8 inch iron rod set for corner;

North 15 degrees 50 minutes 11 seconds West (called North 14 degrees 44 minutes 06 seconds West by Deed), a distance of 142.10 feet to a 5/8 inch iron rod set for corner;

North 50 degrees 00 minutes 43 seconds West (called North 48 degrees 54 minutes 06 seconds West by Deed), a distance of 277.40 feet to a 5/8 inch iron rod set for corner;

North 52 degrees 22 minutes 43 seconds West (called North 51 degrees 16 minutes 06 seconds West by Deed), a distance of 114.60 feet to a 5/8 inch iron rod set for corner;

North 49 degrees 52 minutes 43 seconds West (called North 48 degrees 46 minutes 06 seconds West by Deed), a distance of 136.00 feet to a 5/8 inch iron rod set for corner;

North 42 degrees 50 minutes 27 seconds West (called North 41 degrees 43 minutes 24 seconds West by Deed), a distance of 147.20 feet (147.19 feet by Deed) to the **POINT**

OF BEGINNING, containing within the metes and bounds herein recited, 112.6372 acres (4,906,478 square feet) of land, more or less.

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Sarah McRae, Tourism/Main Street Manager

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Consider Request of the 2018 Earth Day Planning Committee to Temporarily Close Certain Streets for the "10th Annual Earth Day Festival" on Saturday, April 21, 2018

Issue:

The 2018 Earth Day Planning Committee proposes to hold the "10th Annual Earth Day Festival" on Saturday, April 21st. They request barricades for street closures and City Hall parking lot closure.

Background:

Ms. Amy Hoffman-Shehan, representing the 2018 Earth Day Planning Committee, proposes to hold the "10th Annual Earth Day Festival" on the Sherman Municipal Grounds from 9:00 a.m. - 4:00 p.m. on Saturday, April 21st. In order to accommodate the festival, the Committee requests delivery and pick up of barricades for street closures around the Municipal Building and City Hall parking lot closure. The street and parking lot closure times are from 6:30 a.m. - 5:00 p.m.

Origination:

Ms. Amy Hoffman-Shehan, Event Organizer, 2018 Earth Day Planning Committee

Financial Consideration:

Barricade placement and removal will be provided by the City of Sherman Street Department.

Staff Recommendation:

It is recommended that the City Council authorize the street closures, City Hall parking lot closure, the utilization of the Municipal Grounds and City resources to accommodate this event.

Alternatives:

As directed by the Council

Attachments

Request dated March 9, 2018

Street Closure Map

Earth Day Festival
Amy Hoffman-Shehan
1503 S Travis St
Sherman TX 75090
www.earthdaytexoma.org

City of Sherman
Robby Hefton, City Manager
Don Keene, Assistant City Manager
Sarah McRae, Tourism/Main Street Manager
Steve Ayers, Directory of Community and Support Services
Members of the Sherman City Council

March 9, 2018

The 10th Annual Earth Day Festival is scheduled for April 21, 2018. It will be held in the Municipal Ballroom and Lucy Kidd-Key Park (municipal grounds). Please place our street closure request on the agenda for the March 5, 2018 City Council Meeting. The street and parking lot closures will be needed from 6:00 am until 5:00 pm on April 21. We would like to close South Rusk Street between Mulberry and Pecan Streets, South Elm Street between Mulberry and Pecan Streets, and Pecan Street between South Elm and South Rusk. We would also like to close the parking lots on the south side of City Hall and the south side of the Municipal Building. The City Hall parking lot will be used for a various recycling events. Please see the attached map.

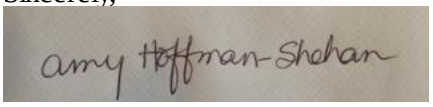
The Texoma Earth Day Festival offers a full day of workshops, displays, demonstrations, musical entertainment, vendors of fine crafts and environmentally friendly products and services. Coordinated events include a youth art show sponsored by the Sherman ISD Arts Initiative, an adult art show sponsored by Ghost Town Arts Collective, multiple recycling opportunities, children's activities, displays and demonstrations, vendors including plant sales, pet adoptions through the Sherman Animal Shelter adoption trailer, a blood drive, the used book sale through the Friends of the Sherman Library. "Trashion" a Trash Fashion Art Show is sponsored by Grayson College Department of Visual Art. Details are available on our website www.earthdaytexoma.org.

The festival offers a wide variety of recycling opportunities, including a community-wide paper shredding event, electronic waste, cardboard, Styrofoam, hard plastics, clothing, ink and toner cartridges, and more. We are continuing to work with the Choctaw Nation Going Green program. The program is a valuable resource, providing resources and recycling services and assisting with publicity for the event. The bulk recycling program will be sponsored by the Earth Day Festival Planning Committee and will directly benefit festival funding. This recycling will include electronic waste, used clothing, small household appliances (not including TVs or monitors). Last year's recycling round up filled two 18' trucks! Sherman Noon Lions Club collects eyeglasses and a workshop provider will collect dead laptop batteries.

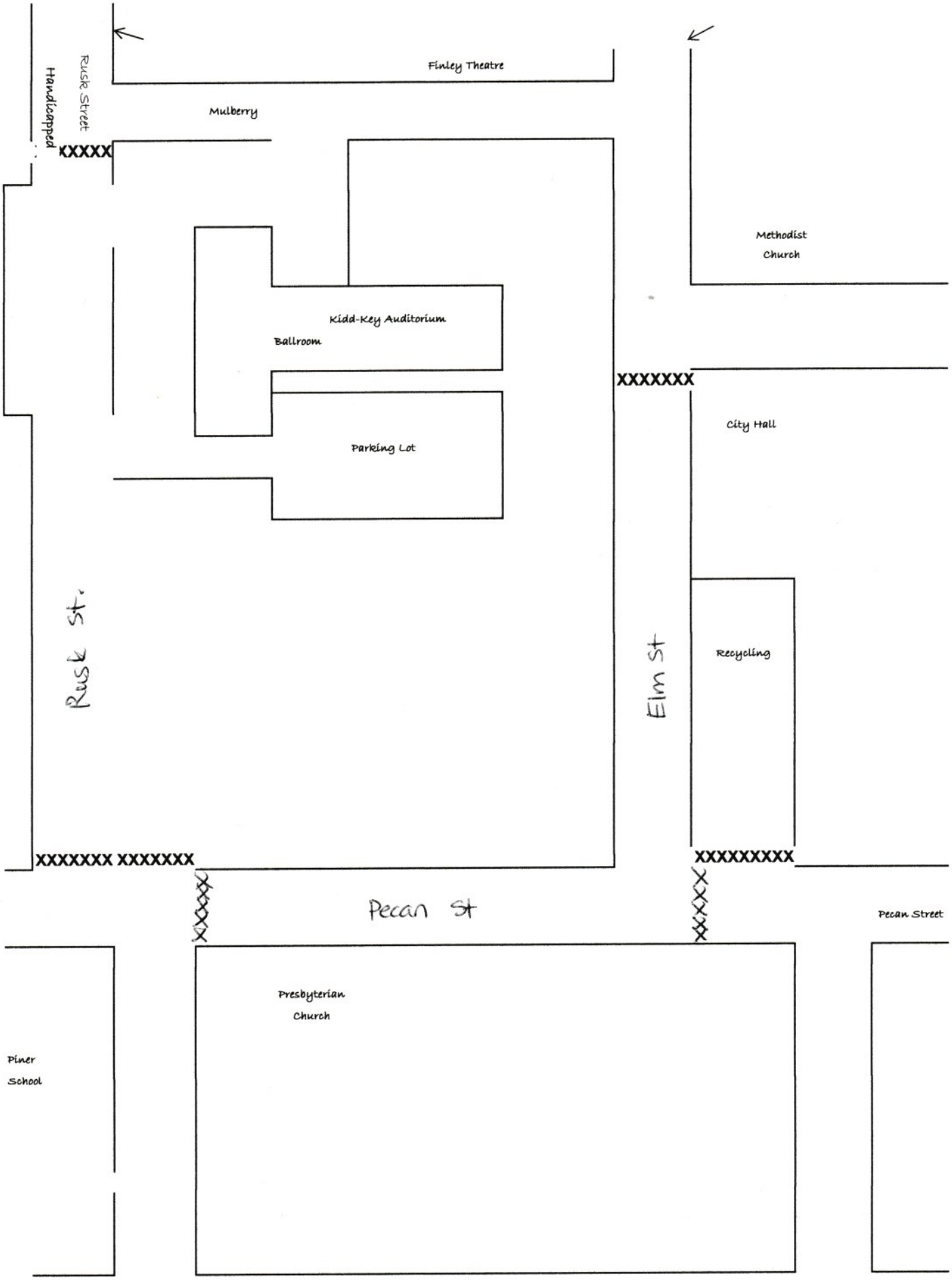
The Key Note Address will be at 11:00 am in the Municipal Ballroom. The speaker Dan Phillips of Phoenix Commotion. Dan builds houses from recycled materials in the Huntsville, TX area. His talk, titled "Balancing the Earth Books," will highlight his building and recycling projects. Phoenix Commotion also employs unskilled laborers to teach marketable building trades. In addition, we will offer workshops in downsizing and simplifying, harvesting dead laptop batteries to create independent power sources, and creating monarch butterfly way-stations.

We greatly appreciate our partnership with the City of Sherman and encourage your participation. The Sherman Animal Shelter pet adoptions always add an element of excitement and joy to the festival. We would encourage any departments and commissions to be part of the event. We hope the Police Department will hold their prescription drug collection at the festival grounds.

Sincerely,



Amy Hoffman-Shehan
Event Organizer


Finley Theatre
Rusk Street
Handicapped
Mulberry
XXXXX
Methodist
Church
Kidd-Key Auditorium
Ballroom
XXXXXXX
City Hall
Parking Lot
Rusk St.
Elm St
Recycling
XXXXXXX XXXXXXX
XXXXXXXXX
Pecan St
Pecan Street
Presbyterian
Church
Piner
School

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Site Plan Approval under Ordinance No. 2252, Article IV, Section 410(2)(j) to allow Sherman Fire Station #4 in the Blalock Industrial Park; Sherman Economic Development Corporation, Owners; City of Sherman, Prospective Buyer; EIKON Consulting Group, Architect; and Michael Tubiolo, Representative (3117 Northgate Drive)

Issue:

Site plan approval for Sherman Fire Station #4 for Sherman Economic Development Corporation, Owners; City of Sherman, Prospective Buyer; EIKON Consulting Group, Architect; and Michael Tubiolo, Representative, in the Blalock Industrial Park at 3117 Northgate Drive

Background:

Sherman Fire Station #4 was built in 1968 and has not undergone any significant renovations or improvements during that period. In order to better access/serve the south/southwest part of the City and its projected growth, the plan is to relocate Sherman Fire Station #4 to a new seven-acre site on Northgate Drive, north of F.M. 1417 in Blalock Industrial Park. The property is located at 3117 Northgate Drive, off F.M. 1417, between U.S. Highway 75 and Flanary Road in Progress Park I Industrial area. Sherman Fire Station #4 will be a one-story, 12,606 square foot building; the exterior finish on the building will be brick veneer and insulated metal panels; twenty-one (21) parking spaces will be provided.

Origination:

Sherman Economic Development Corporation (Owners)
City of Sherman (Prospective Buyer)
EIKON Consulting Group (Architect)
Michael Tubiolo (Representative)

Financial Consideration:

None

Staff Recommendation:

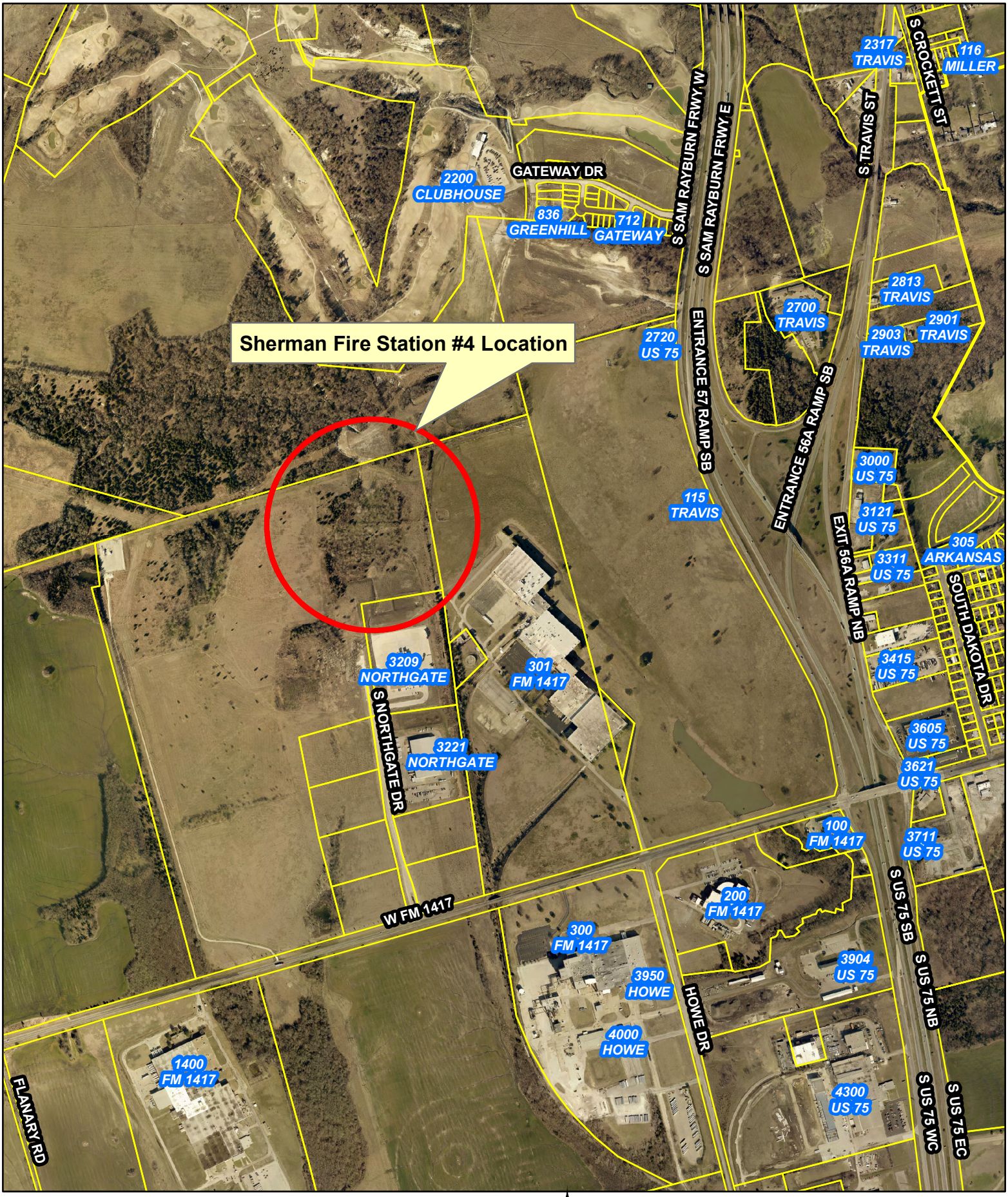
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted 7/0 to recommend to the City Council that the site plan be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

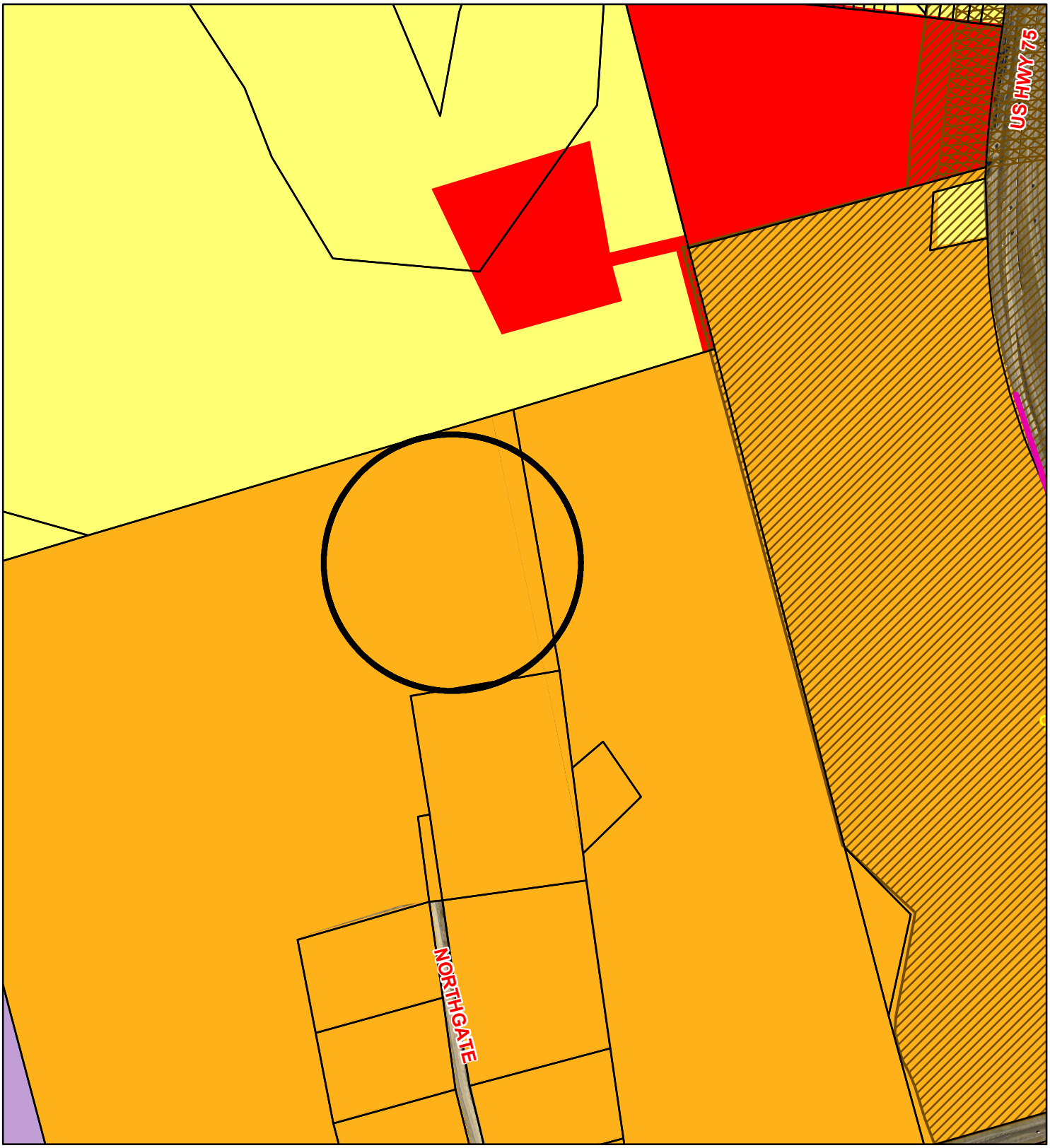
Location Map
Zoning Map
Survey
Site Plan
Elevations
Staff Review Letter
P&Z Communication



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

N

1 inch = 1,000 feet



Zoning - 3117 Northgate Drive

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

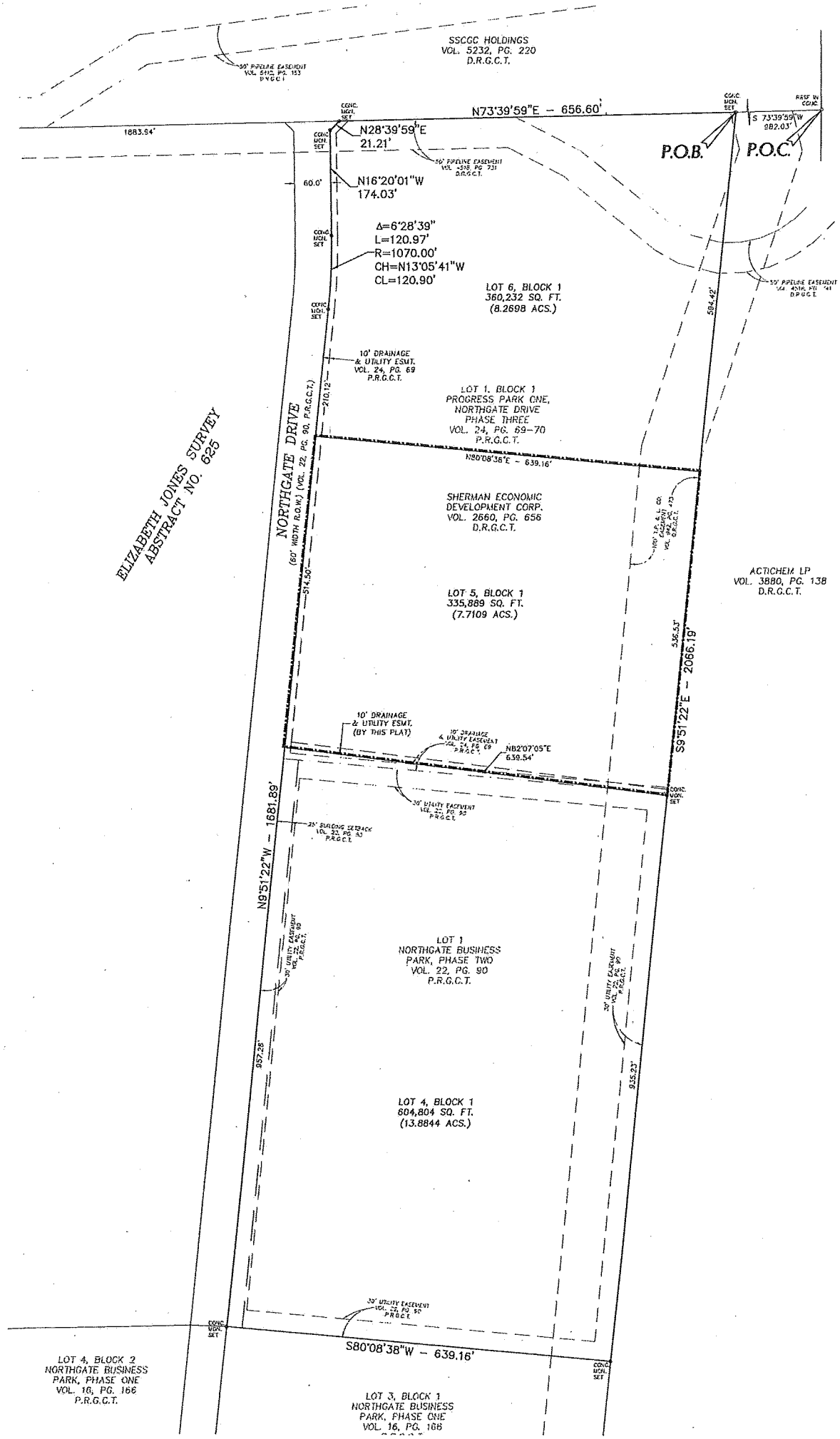
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

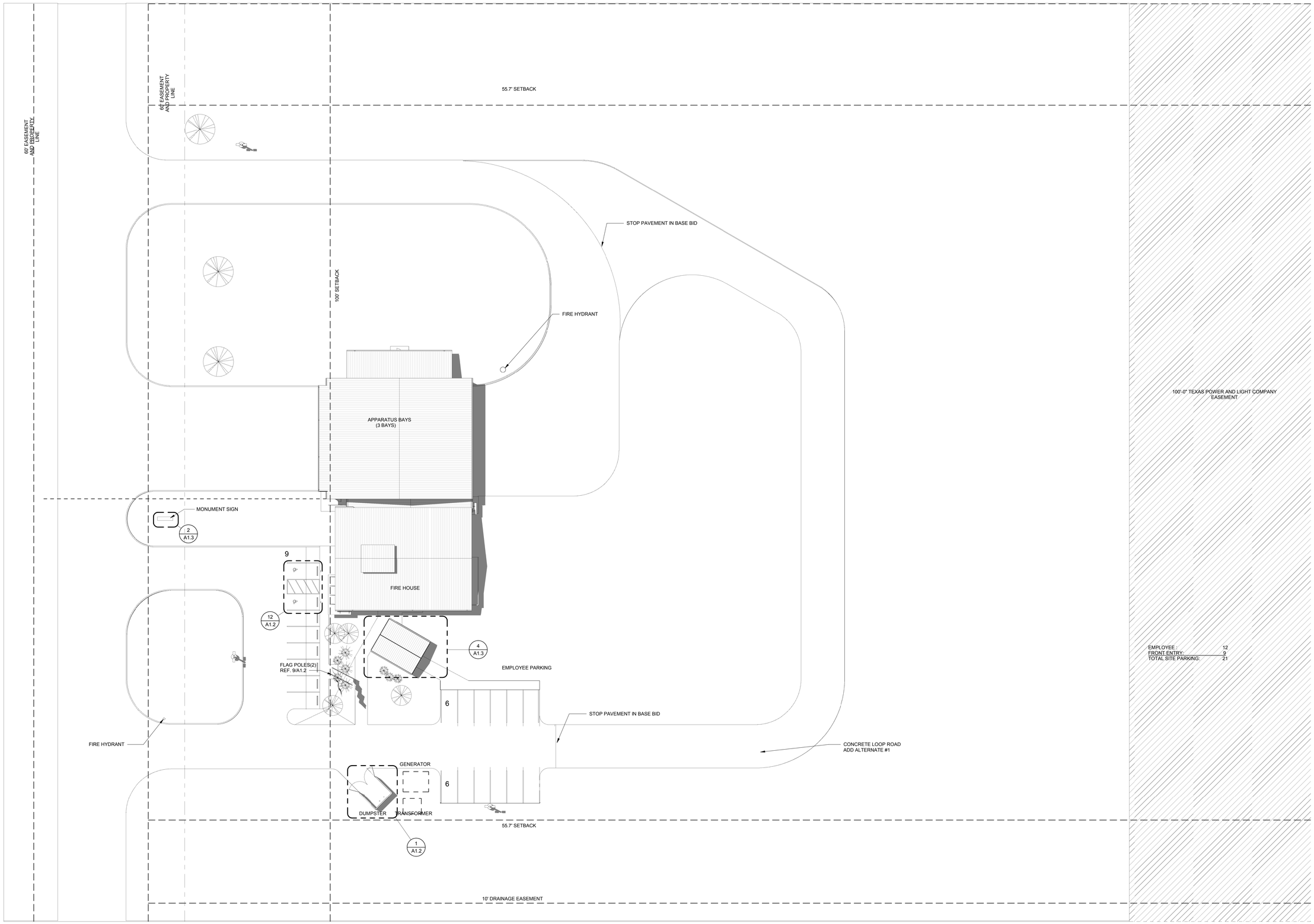
NOT TO SCALE

1 in = 600 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department


SSCGC HOLDINGS
VOL. 5232, PG. 220
D.R.G.C.T.
50' PIPELINE EASEMENT
VOL. 5112, PG. 153
D.R.G.C.T.
N73°39'59"E – 656.60'
S 73°39'59"W
282.03'
P.O.B.
P.O.C.
1883.94'
N28°39'59"E
21.21'
50' PIPELINE EASEMENT
VOL. 4918, PG. 231
D.R.G.C.T.
60.0'
N16°20'01"W
174.03'
Δ=6°28'39"
L=120.97'
R=1070.00'
CH=N13°05'41"W
CL=120.90'
LOT 6, BLOCK 1
380,232 SQ. FT.
(8.2698 ACS.)
584.42'
10' DRAINAGE
& UTILITY ESMT.
VOL. 24, PG. 69
P.R.G.C.T.
210.12'
LOT 1, BLOCK 1
PROGRESS PARK ONE,
NORTHGATE DRIVE
PHASE THREE
VOL. 24, PG. 69–70
P.R.G.C.T.
N80°08'36"E – 639.16'
ELIZABETH JONES SURVEY
ABSTRACT NO. 625
NORTHGATE DRIVE
(60' WIDTH R.O.W.) (VOL. 22, PG. 90, P.R.G.C.T.)
SHERMAN ECONOMIC
DEVELOPMENT CORP.
VOL. 2660, PG. 656
D.R.G.C.T.
ACTICHEM LP
VOL. 3880, PG. 138
D.R.G.C.T.
314.50'
LOT 5, BLOCK 1
335,889 SQ. FT.
(7.7109 ACS.)
536.53'
S9°51'22"E – 2066.19'
10' DRAINAGE
& UTILITY ESMT.
(BY THIS PLAT)
10' DRAINAGE
& UTILITY EASEMENT
VOL. 24, PG. 69
P.R.G.C.T.
N82°07'05"E
639.54'
30' UTILITY EASEMENT
VOL. 22, PG. 90
P.R.G.C.T.
25' BUILDING SETBACK
VOL. 22, PG. 90
P.R.G.C.T.
N9°51'22"W – 1681.89'
30' UTILITY EASEMENT
VOL. 22, PG. 90
P.R.G.C.T.
LOT 1
NORTHGATE BUSINESS
PARK, PHASE TWO
VOL. 22, PG. 90
P.R.G.C.T.
30' UTILITY EASEMENT
VOL. 22, PG. 90
P.R.G.C.T.
957.28'
935.23'
LOT 4, BLOCK 1
604,804 SQ. FT.
(13.8844 ACS.)
30' UTILITY EASEMENT
VOL. 22, PG. 90
P.R.G.C.T.
S80°08'38"W – 639.16'
LOT 4, BLOCK 2
NORTHGATE BUSINESS
PARK, PHASE ONE
VOL. 16, PG. 166
P.R.G.C.T.
LOT 3, BLOCK 1
NORTHGATE BUSINESS
PARK, PHASE ONE
VOL. 16, PG. 166



0' 10' 20' 40' 80'

1 SITE PLAN
SCALE: 1" = 20'-0"

EIKON
Texas Firm F-12759
1405 W. Chapman Dr.
Suite 100 Plano, Texas 75026
Phone: (940)458-7503
Fax (940)458-7417
6513 Windcrest Drive
Suite 100-B
Plano, Texas 75024
Phone (972)473-8919
www.eikoneg.com

REGISTERED ARCHITECT
STATE OF TEXAS

NEW FACILITY FOR
CITY OF SHERMAN FIRE STATION 4
3117 NORTHGATE DRIVE
SHERMAN, TEXAS

Date	JANUARY 5, 2018
Project No:	17069
Revision:	
Drawn By:	KMM
Checked By:	DSB
Designed By:	JTW

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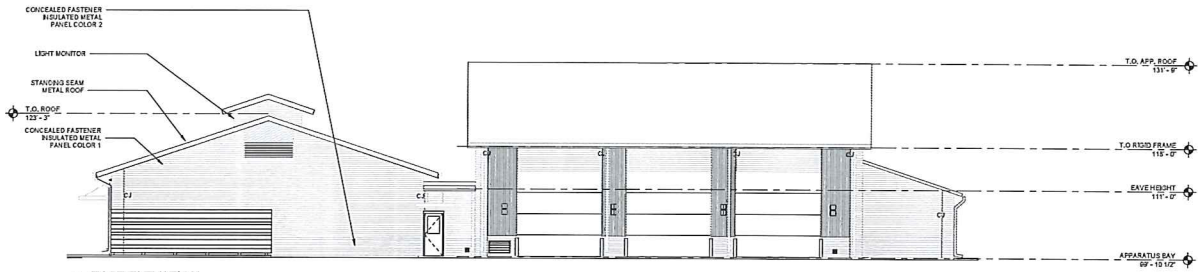
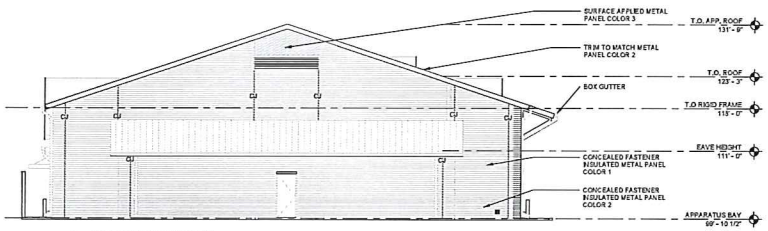
ARCHITECTURAL SITE PLAN

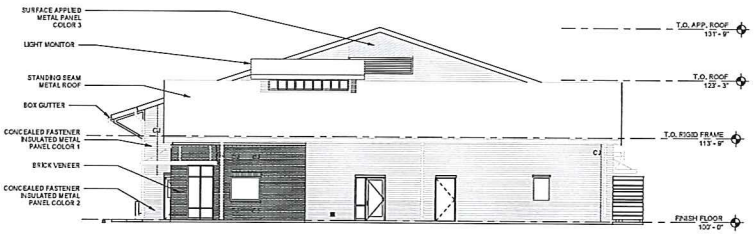
A1.1



4 EAST ELEVATION
SCALE: 1/8" = 1'-0" 1/A2.1



3 NORTH ELEVATION
SCALE: 1/8" = 1'-0" 1/A2.1



2 SOUTH ELEVATION
SCALE: 1/8" = 1'-0" 1/A2.1

1 WEST ELEVATION
SCALE: 1/8" = 1'-0" 1/A2.1

Fire Station #4

Site Plan Approval

EIKON

STAFF REVIEW LETTER

February 13, 2018

Sherman Economic Development Corporation
307 W. Washington, Ste. 102
Sherman, TX 75090

EIKON Consulting Group
Michael Tubiolo
1405 W. Chapman Dr.
Sanger, TX 76266

Dear Applicants,

The request for site plan approval for Fire Station #4 for the property located at 3117 Northgate Drive has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the Blalock Industrial Park District Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903.892.7267).
3. Shall comply with all EPA, City, Federal and State regulations for this use.
4. Review the zoning and development ordinance for additional requirements.
5. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

6. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
7. The location of trash receptors must be approved by the Public Works Department.
8. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
9. Verify fire lane requirements with Fire Marshall.
10. Final site plans, utility, drainage and grading plan shall be provided and approved by the City Engineering Department.
11. Platting of the property is required.

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

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

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

Respectfully,

Scott Shadden
Secretary, Planning and Zoning Board and Board of Adjustment

cc: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator
Danny Fuller, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 8.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

* **3117 NORTHGATE DRIVE**

The request of Sherman Economic Development Corporation (Owners), City of Sherman (Prospective Buyer), EIKON Consulting Group (Architect) and Michael Tubiolo (Representative) concerning the property located at 3117 Northgate Drive, being a 7.7109 acre tract of land in the Elizabeth Jones Survey, Abstract No. 625, also being a part of Lot 1, Block 1, Progress Park One, Northgate Drive, Phase 3, and in Tract 4.1 in the Blalock Industrial Park, as follows:

Planning and Zoning Commission

Site plan approval for Fire Station #4

Background:

Sherman Fire Station #4 was built in 1968 and has not undergone any significant renovations or improvements during that period. In order to better access/serve the south/southwest part of the City and its projected growth, the plan is to relocate Station #4 to a new 7 acre site on Northgate Drive, north of F.M. 1417, in Blalock Industrial Park. The property is located at 3117 Northgate Drive in Progress Park I industrial area. Fire Station #4 will be a one story, 12,606 square foot building, the exterior finish on the building will be brick veneer and insulated metal panels; twenty-one (21) parking spaces will be provided.

Adjacent Zoning:

Blalock Industrial Park
R-1 (One Family Residential) District

Origination:

The City of Sherman (Owners)
EIKON Consulting Group (Architect)
Michael Tubiolo (Representative)

Master Plan Designation:

Business Park and Research – Business Park designation allows for compatibility with the use of the roadway and rail system for frequent truck and rail traffic. Industrial and office uses are the most appropriate and compatible land uses adjacent to a truck route and the state road and/or rail system. Typical tenants of a business park and research center include light industrial manufacturing, wholesaling, warehouse facilities, light assembly plants, research and development firms and distribution centers.

Number of notices mailed:

40

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Survey
Site Plan
Building Elevations
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Replat Approval of Progress Park One, Northgate Drive, Phase Four, Lots 4, 5 and 6, Block 1, being all of Lot 1, Northgate Business Park, Phase 2 and all of Lot 1, Block 1, Progress Park One, Northgate Drive, Phase 3, containing 29.8652 acres in the Elizabeth Jones Survey, Abstract No. 625; Sherman Economic Development Corporation and Southeastern Freight Lines, Inc., Owners; and Brockette/Davis/Drake, Inc., Surveyor (3117 and 3209 Northgate Drive)

Issue:

To consider Replat approval of Progress Park One, Northgate Drive, Phase Four, Lots 4, 5 and 6, Block 1, being all of Lot 1, Northgate Business Park, Phase 2 and all of Lot 1, Block 1, Progress Park One, Northgate Drive, Phase 3, containing 29.8652 acres in the Elizabeth Jones Survey, Abstract No. 625, located at 3117 and 3209 Northgate Drive

Background:

The property is located at 3117 and 3209 Northgate Drive, off F.M. 1417 between U.S. Highway 75 and Flanary Road in the Progress Park I industrial area. The owners would like to replat the property into three lots for industrial development.

Origination:

Sherman Economic Development Corporation and Southeastern Freight Lines, Inc. (Owners)
Brockette/Davis/Drake, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

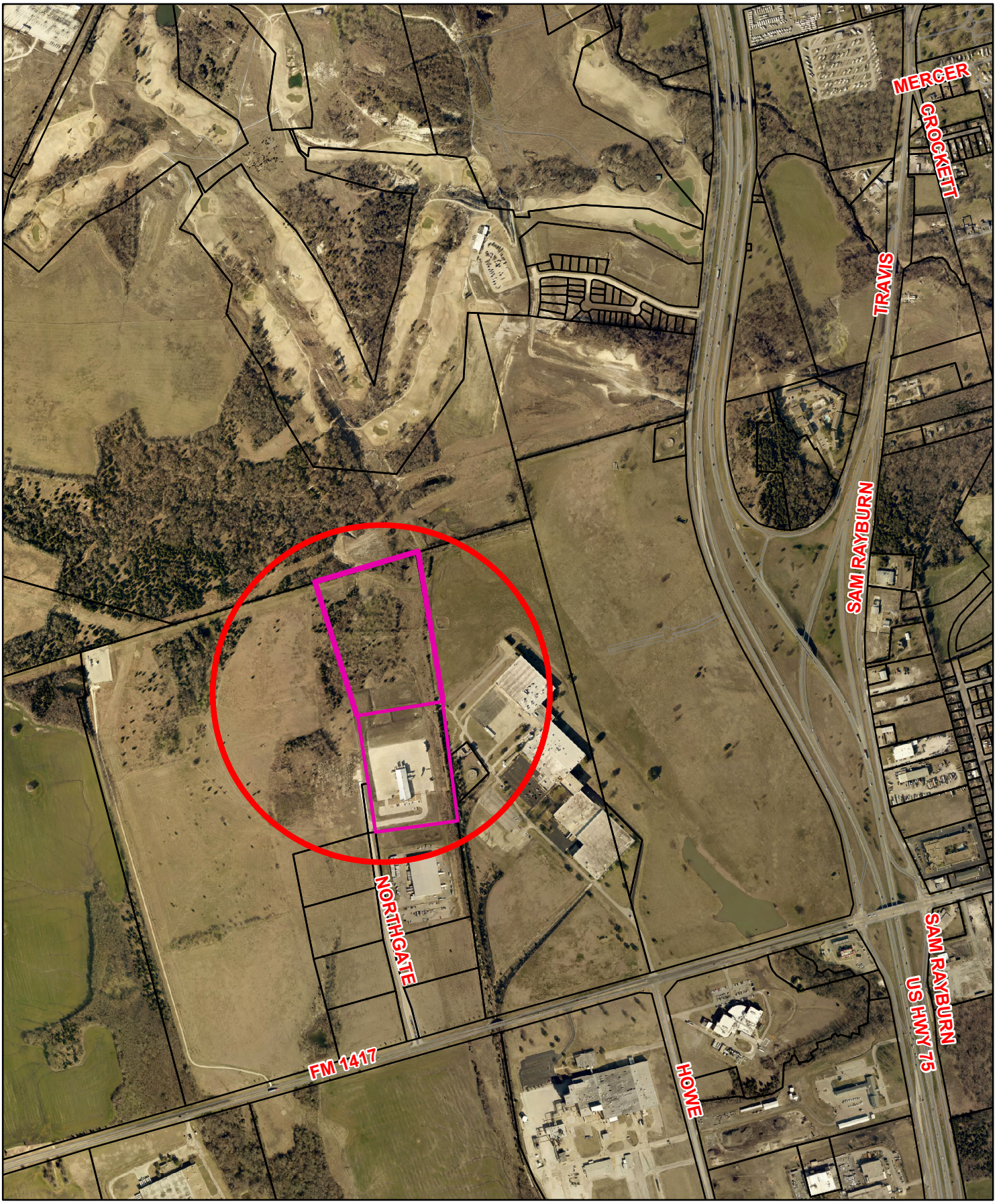
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Replat
Staff Review Letter
P&Z Communication



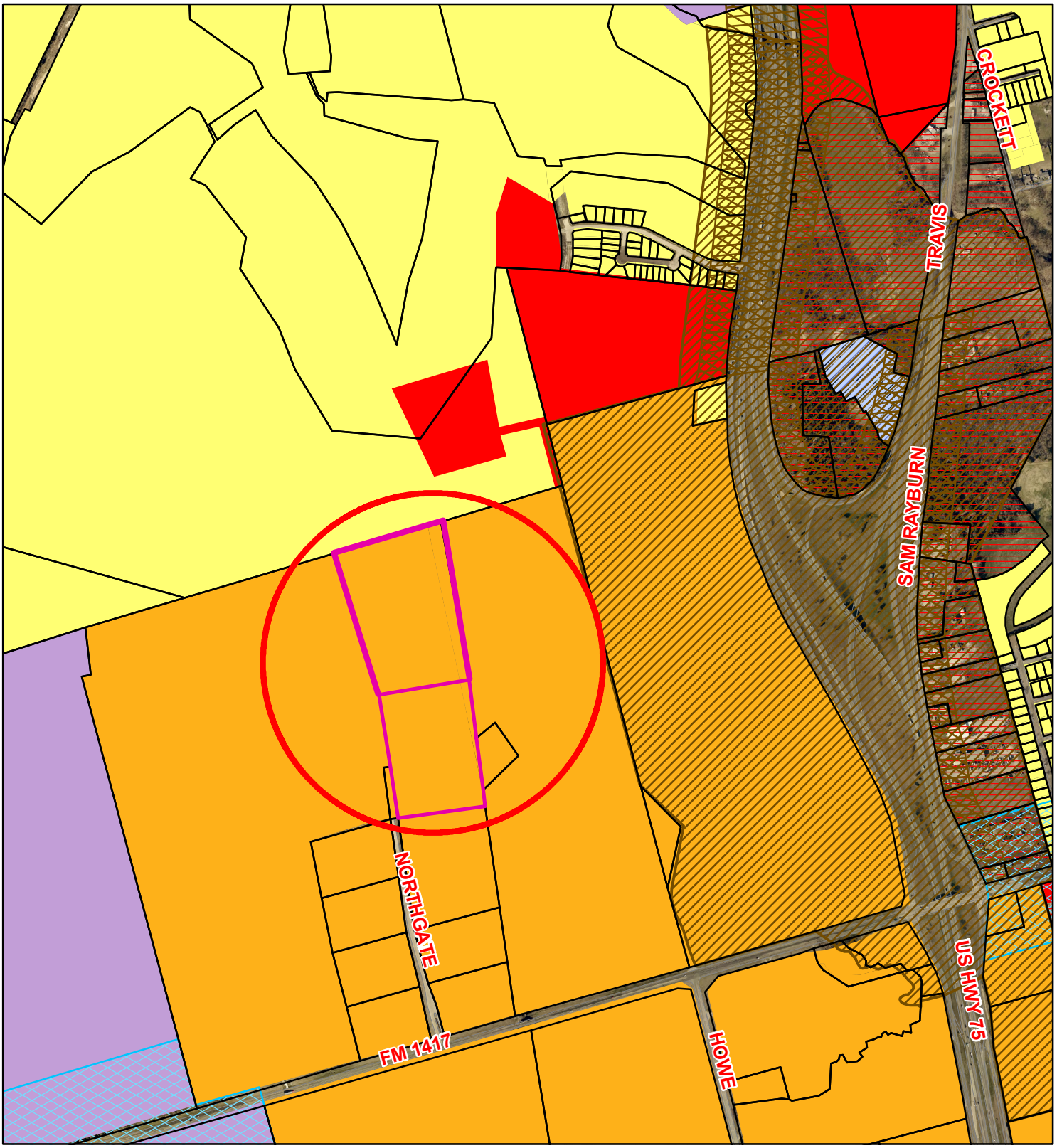
Sherman
CLASSIC TOWN. BROAD HORIZON.

3317 & 3209 Northgate Drive

NOT TO SCALE

1 in = 1,000 ft

City of Sherman, Texas
Developmental Services Department



3317 & 3209 Northgate Drive

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

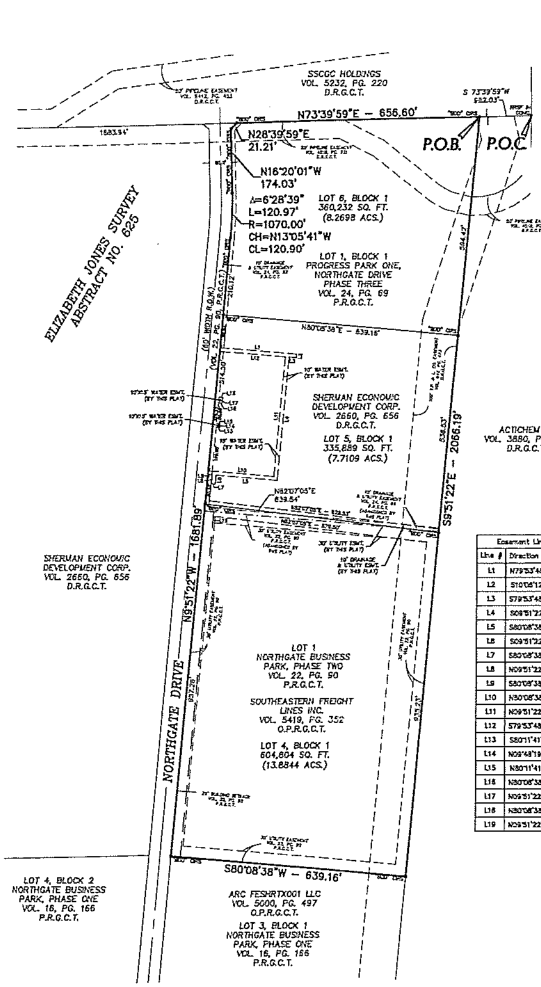
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

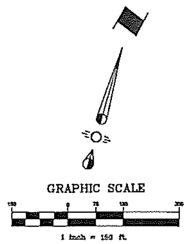
NOT TO SCALE

1 in = 1,000 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

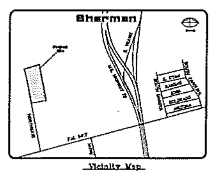




LEGEND

O CIRS	"BDD" CAPPED IRON ROD SET
	RAILROAD SPIKE FOUND
P.O.C.	POINT OF COMMENCING
P.O.B.	POINT OF BEGINNING
R.O.W.	RIGHT-OF-WAY
U.E.	UTILITY EASEMENT
B.L.	BUILDING LINE
P.U.E.	PUBLIC UTILITY EASEMENT
U.U.E.	UNDERGROUND UTILITY EASEMENT
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY, TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS
	LOT LINE
	BOUNDARY LINE

Easement Line Table		
Line #	Direction	Length
L1	N79°53'48"E	209.97'
L2	S10°06'12"E	10.00'
L3	S79°53'48"W	20.02'
L4	S09°51'22"E	335.15'
L5	S80°08'38"W	168.51'
L6	S09°51'22"E	24.14'
L7	S80°08'38"W	10.00'
L8	N09°51'22"W	24.14'
L9	S80°08'38"W	11.48'
L10	N80°08'38"E	179.99'
L11	N09°51'22"W	325.11'
L12	S79°53'48"W	179.99'
L13	S80°11'41"W	10.00'
L14	N09°48'19"W	10.00'
L15	N80°11'41"E	10.00'
L16	N80°08'38"E	10.00'
L17	N09°51'22"W	15.00'
L18	N80°08'38"E	10.00'
L19	N09°51'22"W	17.71'



PURPOSE OF PLAT:

To replat two existing lots into three lots.

NOTES:

1. No portion of the subject property lies within any area of 100–year flood according to FEMA's Flood Insurance Rate Map, Community–Panel No. 485509 0405 F, dated September 29, 2016. Property is in Zone X.

2. Bearings are based upon the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone 4202.

RE-PLAT

PROGRESS PARK ONE, NORTHGATE DRIVE PHASE FOUR

LOTS 4, 5 & 6, BLOCK 1

AN ADDITION TO THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
BEING ALL OF LOT 1, BLOCK 1, PROGRESS PARK ONE,
NORTHGATE DRIVE PHASE THREE,
BEING ALL OF LOT 1, NORTHGATE BUSINESS PARK, PHASE TWO
AND BEING SITUATED IN THE
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

OWNER:
SOUTHEASTERN FREIGHT LINES INC.
4025 SUNSET BOULEVARD
COLUMBIA, SC 29169
(803) 739–2702
fax (803) 794–2854

OWNER/DEVELOPER:
SHERMAN ECONOMIC DEVELOPMENT CORPORATION
307 W. WASHINGTON, STE 102
SHERMAN, TEXAS 75090

SURVEYORS:
BROCKETTE/DAVIS/DRAKE, INC.
Civil & Structural Engineering Surveying
4144 North Central Expressway, Suite 1100
Dallas, Texas 75204
(214) 824–3647,
fax (214) 824–7064

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OWNER'S CERTIFICATE

STATE OF TEXAS
COUNTY OF GRAYSON

WHEREAS SHERMAN ECONOMIC DEVELOPMENT CORPORATION and SOUTHEASTERN FREIGHT LINES INC., is the owner of a 29.8652 acre tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, Grayson County, Texas, being all of Lot 1, Northgate Business Park, Phase Two, an addition to the City of Sherman, by plat recorded in Volume 22, Page 90 of the Plat Records, Grayson County, Texas (P.R.G.C.T.), being all of Lot 1, Block 1 of Progress Park One, Northgate Drive Phase Three, an addition to the City of Sherman by plat, recorded in Volume 24, Page 69 (P.R.G.C.T.), being all of that tract of land conveyed to Sherman Economic Development Corporation by Special Warranty Deed with Vendor's Lien, recorded in Volume 2650, Page 656 of the Deed Records, Grayson County, Texas (D.R.G.C.T.) and being all of that tract of land conveyed to Southeastern Freight Lines Inc. by Special Warranty Deed, recorded in Volume 5419, Page 352 of the Official Public Records, Grayson County, Texas (O.P.R.G.C.T.), and being more particularly described as follows:

COMMENCING at a railroad spike found in concrete for the northeast corner of a tract of land conveyed to the Actichem LP by Special Warranty Deed, recorded in Volume 3580, Page 138 (D.R.G.C.T.), same being the southeast inner ell corner of a tract of land conveyed to SSCGC Holdings by Special Warranty Deed, recorded in Volume 5232, Page 220 (D.R.G.C.T.);

THENCE, S 73°39'59" W, along the South line of said SSCGC tract and the North line of said Actichem LP tract, a distance of 952.03 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for the POINT OF BEGINNING, same being the northeast corner of said Sherman Economic Development Corporation tract;

THENCE S 09°51'22" E, departing the South line of said SSCGC tract and along the West line of said Actichem LP tract, a distance of 2066.19 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for corner, said monument being the northeast corner of Lot 3, Block 1 of Northgate Business Park, Phase One, an addition to the City of Sherman, recorded in Volume 16, Page 166 (P.R.G.C.T.) and a tract of land conveyed to ARC FESHRTX001 LLC by Special Warranty Deed, recorded in Volume 5000, Page 497 (O.P.R.G.C.T.);

THENCE S 80°08'38" W, departing the West line of said Actichem LP tract and along the common the North line of said Northgate Business Park, Phase One and ARC FESHRTX001 LLC tract, a distance of 639.16 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for the northwest corner of said Northgate Business Park, Phase One in the East right–of–way line of Northgate Drive (60' width R.O.W.);

THENCE N 09°51'22" W, along the East line of said Northgate Drive, a distance of 1681.89 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for corner at the beginning of a tangent curve to the left;

THENCE along said tangent curve to the left, through a central angle of 06°28'39", an arc length of 120.97 feet, having a radius of 1,070.00 and a chord bearing and distance of N 13°05'41" W, 120.90 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for corner;

THENCE N 16°20'01" W, a distance of 174.03 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for corner;

THENCE N 61°20'01" W, a distance of 21.21 feet to a 5/8–inch steel rebar with yellow plastic cap stamped "BDD" set for corner in the aforementioned South line of said SSCGC Holdings, same being the northwest corner of said Lot 1, Block 1;

THENCE N 73°39'59" E, along the common South line of said SSCGC Holdings and the North line of said Lot 1, Block 1, a distance of 656.60 feet to the POINT OF BEGINNING, containing 1,300,928 square feet or 29.8652 acres of land, more or less.

OWNER'S CERTIFICATE OF DEDICATION:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That SHERMAN ECONOMIC DEVELOPMENT CORPORATION and SOUTHEASTERN FREIGHT LINES INC., acting by and through its duly authorized agent, does hereby adopt this plat designating the herein described real property as PROGRESS PARK ONE, NORTHGATE DRIVE PHASE FOUR, an addition to the City of Sherman, Grayson County, Texas. Being 29.8652 acres situated in and being a portion of the Elizabeth Jones Survey, Abstract No. 625, City of Sherman, Grayson County, Texas and does hereby dedicate to the public's use forever, the streets, alleys, parks, right–of–ways, school sites and other public places, easements shown thereon.

WITNESS, my hand at ______, ______ County, Texas, this ___ day of ____________ 2018.

SHERMAN ECONOMIC DEVELOPMENT CORPORATION

____
Greg Kirkpatrick, Board Chairman

SOUTHEASTERN FREIGHT LINES INC.

____
Greg Kirkpatrick, Board Chairman

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, on this day personally appeared Greg Kirkpatrick (Board Chairman), known to me by the person whose name is subscribed to the above and foregoing instrument, and acknowledged to me that he executed the same for purposes and consideration expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ___ day of ________ 2018.

____
Notary Public in and for the State of Texas

____
My Commission Expires On:

STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned authority, on this day personally appeared ____________ (Board Chairman), known to me by the person whose name is subscribed to the above and foregoing instrument, and acknowledged to me that he executed the same for purposes and consideration expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ___ day of ________ 2018.

____
Notary Public in and for the State of Texas

____
My Commission Expires On:

STATE OF TEXAS
COUNTY OF DALLAS

KNOW ALL MEN BY THESE PRESENTS:

THAT I, Stanley Ray Felts, 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.

____
Registered Professional Land Surveyor, No. 4825
February, 2018

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Stanley Ray Felts, known to me by the person whose name is subscribed to the above and foregoing instrument, and acknowledged to me that he executed the same for purposes and consideration expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ___ day of ________ 2018.

____
Notary Public in and for the State of Texas

____
My Commission Expires On:

STATE OF TEXAS
COUNTY OF GRAYSON

Approved this ________ day of ______________, 2018, by the City Planning and Zoning Commission of the City of Sherman, Texas.

______________________ ______________________
Chairman Secretary

Accepted by the City Council of the City of Sherman:

____
Mayor Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing final plat of PROGRESS PARK ONE, NORTHGATE DRIVE PHASE FOUR to the City of Sherman was submitted to the City Council on the ___ day of ________, 2018, 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 May to not the acceptance thereof by signing his name as hereinabove subscribed.

Witness my hand this ___ day of __________, A.D. 2018.

____
City Clerk, City of Sherman, Texas

PURPOSE OF PLAT:

To replat two existing lots into three lots.

NOTES:

1. No portion of the subject property lies within any area of 100–year flood according to FEMA's Flood Insurance Rate Map, Community–Panel No. 485509 0405 F, dated September 29, 2016. Property is in Zone X.

2. Bearings are based upon the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone 4202.

RE-PLAT
PROGRESS PARK ONE, NORTHGATE DRIVE PHASE FOUR
LOTS 4, 5 & 6, BLOCK 1
AN ADDITION TO THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
BEING ALL OF LOT 1, BLOCK 1, PROGRESS PARK ONE,
NORTHGATE DRIVE PHASE THREE,
BEING ALL OF LOT 1, NORTHGATE BUSINESS PARK, PHASE TWO
AND BEING SITUATED IN THE
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS

OWNER:
SOUTHEASTERN FREIGHT LINES INC.
4025 SUNSET BOULEVARD
COLUMBIA, SC 29169
(803) 739–2702
fax (803) 794–2854

OWNER/DEVELOPER:
SHERMAN ECONOMIC DEVELOPMENT CORPORATION
307 W. WASHINGTON, STE 102
SHERMAN, TEXAS 75090

SURVEYORS:
BROCKETTE/DAVIS/DRAKE, INC.
Civil & Structural Engineering Surveying
4144 North Central Expressway, Suite 1100
Dallas, Texas 75204
(214) 824–3647,
fax (214) 824–7064

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

Sherman Economic Development Corporation
307 W. Washington St., Suite 102
Sherman, TX 75090

Southeastern Freight Lines, Inc.
4025 Sunset Boulevard
Columbia, SC 29169

Brockette/Davis/Drake, Inc.
4144 North Central Expressway, Ste. 1100
Dallas, TX 75204

Dear Applicants,

The request for approval of the Replat of Progress Park One, Northgate Drive, Phase Four has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Remove building setback lines.
6. Metes and bounds description must match drawing.
7. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
8. 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.
9. 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 and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 7.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

*** 3117 & 3209 NORTHGATE DRIVE**

The request of Sherman Economic Development Corporation and Southeastern Freight Lines, Inc. (Owners), and Brockette/Davis/Drake, Inc. (Surveyor) concerning the property located at 3117 and 3209 Northgate Drive, being all of Lot 1, Northgate Business Park, Phase 2 and all of Lot 1, Block 1, Progress Park One, Northgate Drive, Phase 3, containing 29.8652 acres in the Elizabeth Jones Survey, Abstract No. 625, as follows:

Planning and Zoning Commission

Replat approval of Progress Park One, Northgate Drive, Phase Four, Lots 4, 5 & 6, Block 1.

Background:

The property is located at 3117 and 3209 Northgate Drive, off FM 1417 between U.S. Highway 75 and Flanary Road in Progress Park I industrial area. The owners would like to replat the property into three lots for industrial development.

Adjacent Zoning:

Blalock Industrial Park
R-1 (One Family Residential) District

Origination:

Sherman Economic Development Corporation and Southeastern Freight Lines, Inc. (Owners)
Brockette/Davis/Drake, Inc. (Surveyor)

Master Plan Designation:

Business Park and Research – Business Park designation allows for compatibility with the use of the roadway and rail system for frequent truck and rail traffic. Industrial and office uses are the most appropriate and compatible land uses adjacent to a truck route and the state road and/or rail system. Typical tenants of a business park and research center include light industrial manufacturing, wholesaling, warehouse facilities, light assembly plants, research and development firms and distribution centers.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Replat

Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

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

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Replat Approval of Ridgeview Court Estates, being 19.568 acres in the William Thompson Survey, Abstract No. 1210, also being Lots 1-15, Ridgeview Court Estates; S&P Texoma Real Estate, Owner; and Underwood Drafting & Surveying, Surveyor (100-400 blocks of Ridgeview Road)

Issue:

To consider Replat approval of Ridgeview Court Estates, being 19.568 acres in the William Thompson Survey, Abstract No. 1210, also being Lots 1-15, Ridgeview Court Estates, located in the 100-400 blocks of Ridgeview Road

Background:

The property is located in the 100-400 blocks of Ridgeview Road; the northeast corner of Ridgeview Road and West Houston Street. The owner would like to replat the property into sixteen (16) lots for residential development.

Origination:

S&P Texoma Real Estate, LLC (Owner)
Underwood Drafting and Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

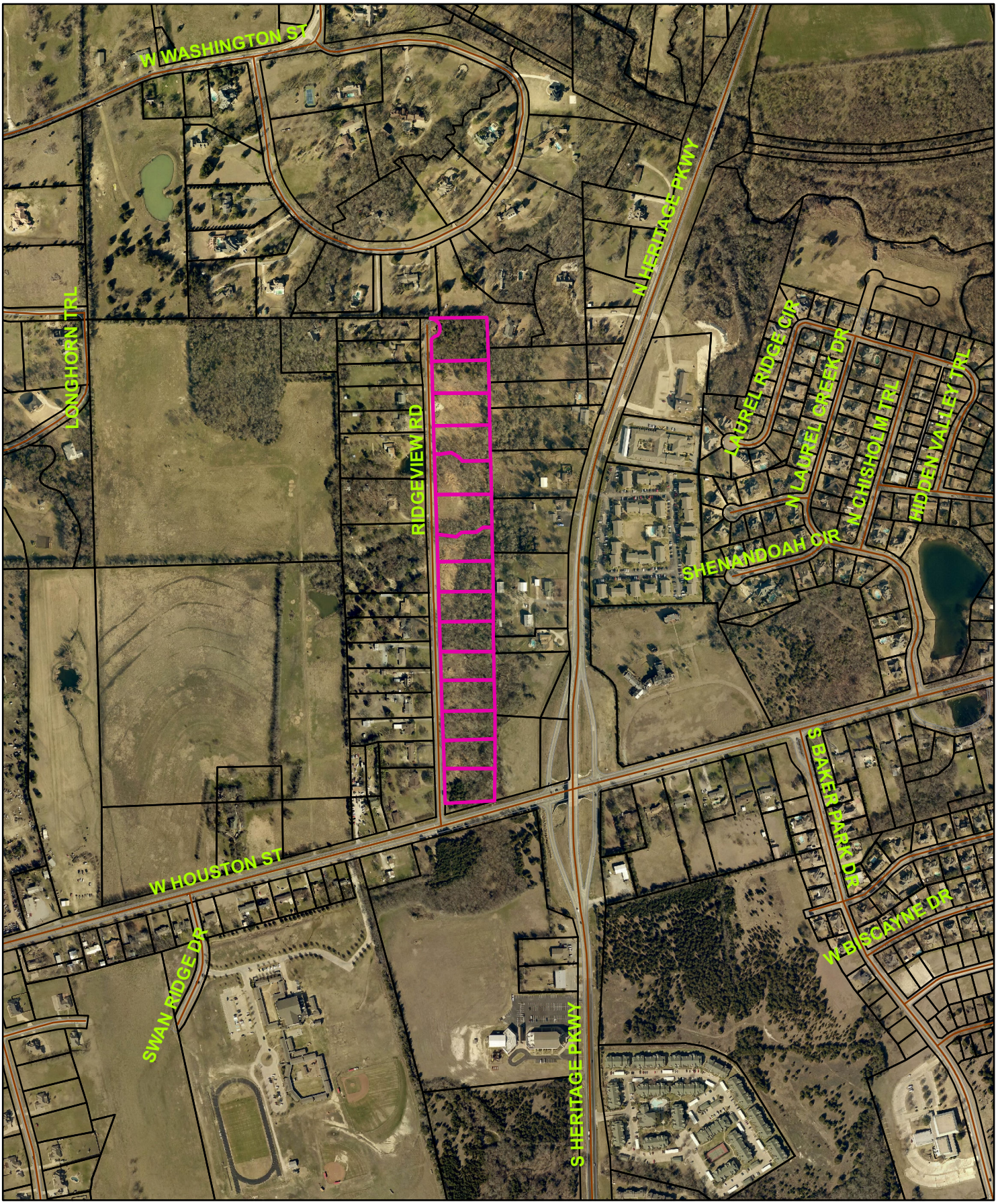
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication



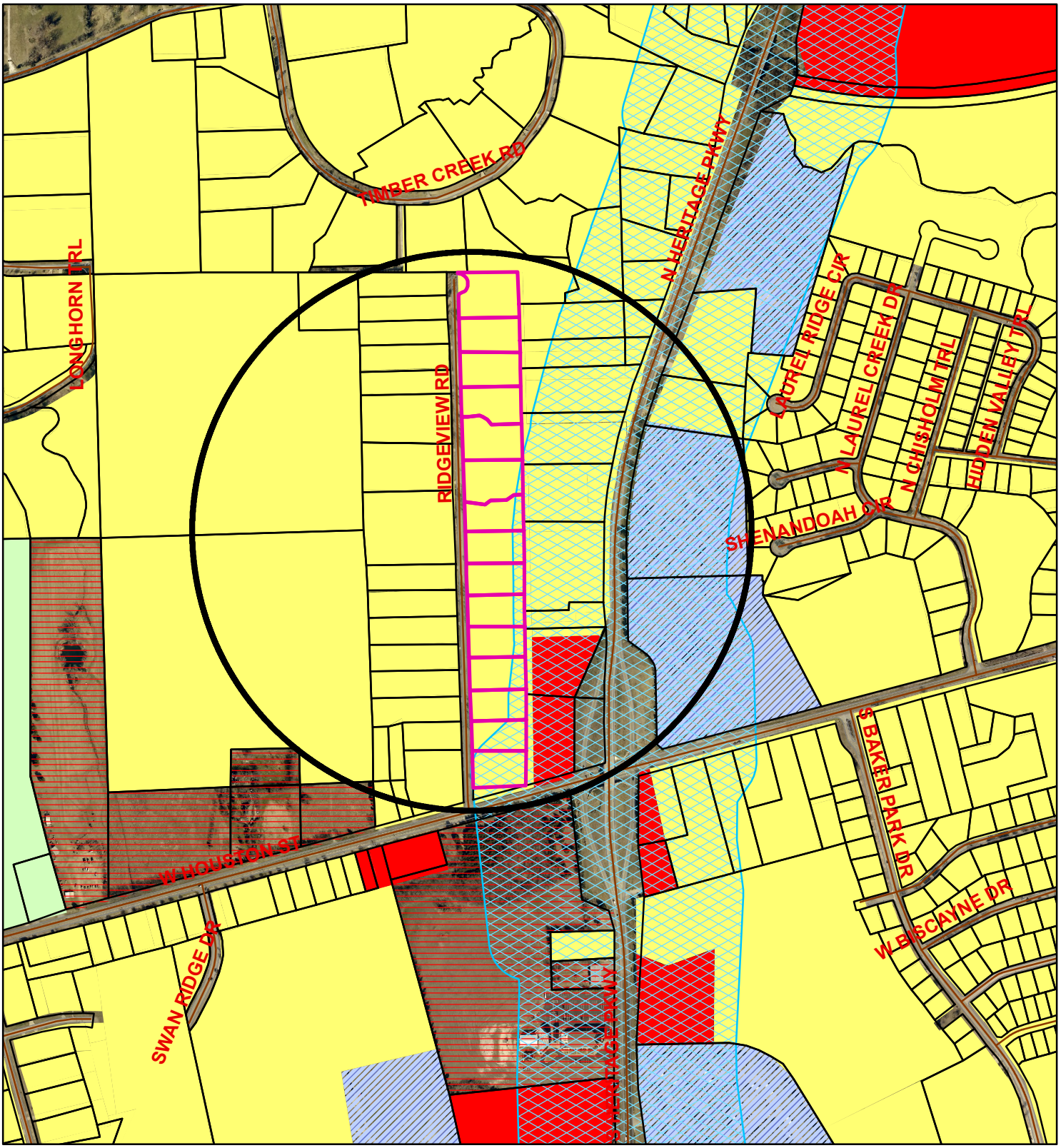
Sherman
CLASSIC TOWN. BROAD HORIZON.

100-400 Blks. Ridgeview Road

NOT TO SCALE

1 in = 700 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 100-400 Blks. Ridgeview Road

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

NOT TO SCALE

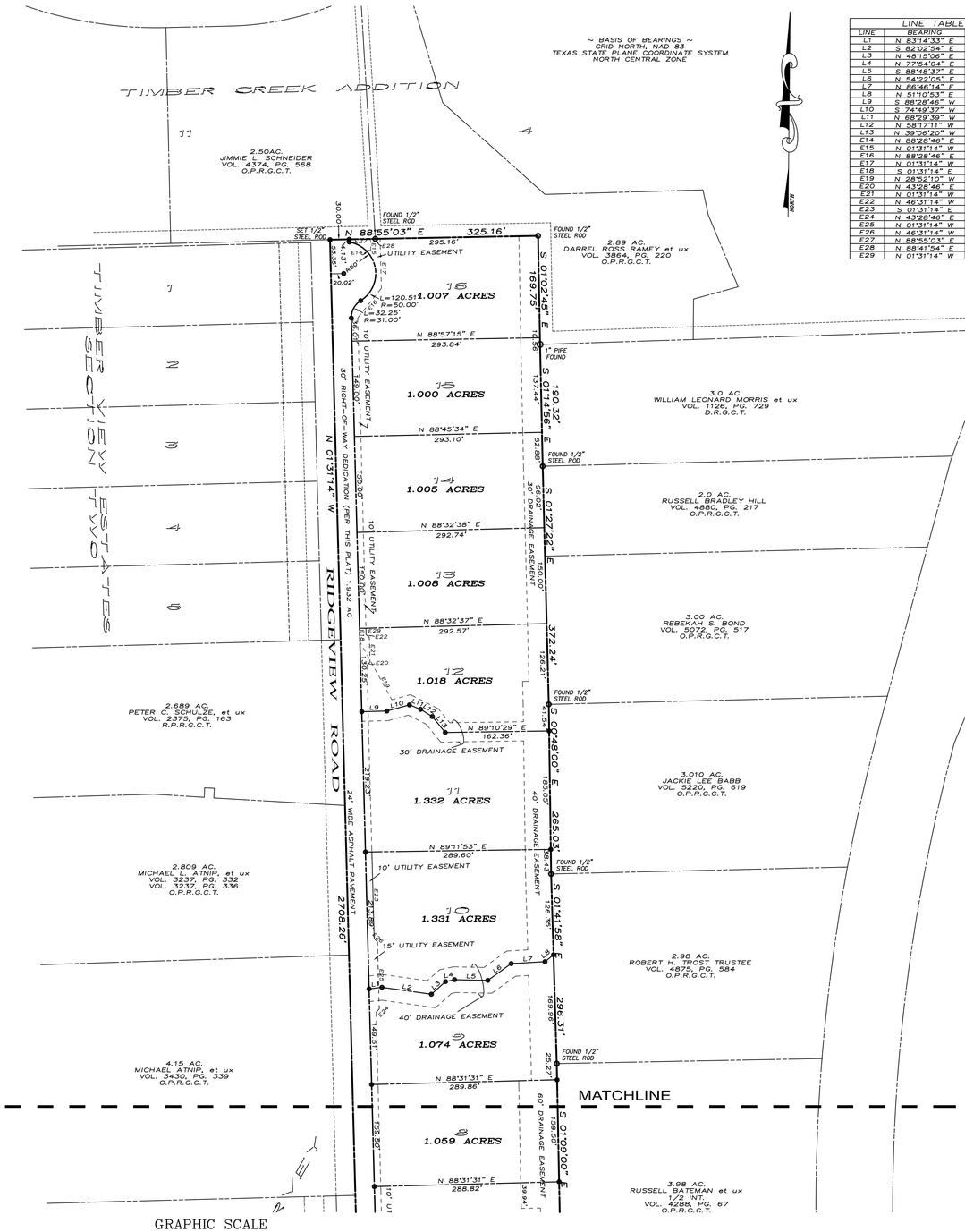
1 in = 700 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

421, 425, 429 & 433 Ridgeview Rd.

JOB NO. 15120836



LINE TABLE		
LINE	BEARING	LENGTH
L1	N 83°14'33" E	20.20'
L2	S 82°02'54" E	77.99'
L3	N 48°15'06" E	29.60'
L4	N 77°54'04" E	14.39'
L5	S 88°48'37" E	52.08'
L6	N 54°22'05" E	44.98'
L7	N 86°46'14" E	52.82'
L8	N 51°10'53" E	17.12'
L9	S 88°28'46" W	39.21'
L10	S 74°49'37" W	36.59'
L11	N 68°29'39" W	18.75'
L12	N 58°17'11" W	21.53'
L13	N 39°06'20" W	32.00'
E14	N 88°28'46" E	7.59'
E15	N 01°31'14" W	17.78'
E16	N 88°28'46" E	14.64'
E17	N 01°31'14" W	77.23'
E18	S 01°31'14" E	20.94'
E19	N 28°52'10" W	103.42'
E20	N 43°28'46" E	21.21'
E21	N 01°31'14" W	38.10'
E22	N 46°31'14" W	21.21'
E23	S 01°31'14" E	125.80'
E24	N 43°28'46" E	21.21'
E25	N 01°31'14" W	104.89'
E26	N 46°31'14" W	21.21'
E27	N 88°55'03" E	33.29'
E28	N 88°41'54" E	15.00'
E29	N 01°31'14" W	9.99'

GRAPHIC SCALE

100 0 50 100 200 400

(IN FEET)
1 inch = 100 ft.

REPLAT OF
RIDGEVIEW COURT ESTATES
BEING 19.568 ACRES IN THE
WILLIAM THOMPSON SURVEY, ABSTRACT NO. 1210
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
1-31-18

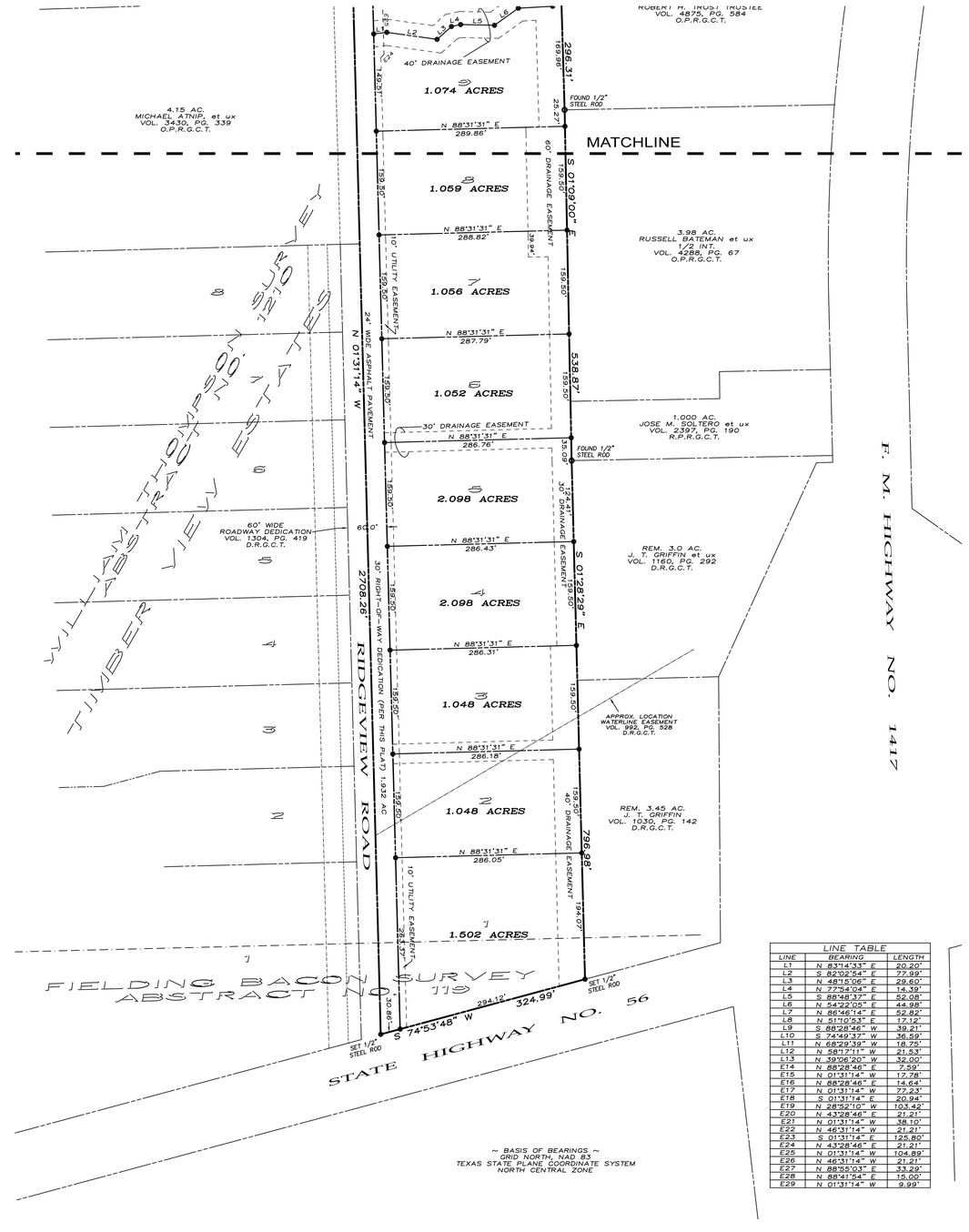
OWNERS/DEVELOPER
S & P TEXOMA REAL ESTATE, LLC
2805 W. WASHINGTON
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

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

SHEET 1 OF 3

JOB NO. 15120836



LINE TABLE		
LINE	BEARING	LENGTH
L1	N 83°14'33" E	20.20'
L2	S 82°02'54" E	77.99'
L3	N 48°15'06" E	29.60'
L4	N 77°54'04" E	14.39'
L5	S 88°48'37" E	52.08'
L6	N 54°22'05" E	44.98'
L7	N 86°46'14" E	52.82'
L8	N 51°10'53" E	17.12'
L9	S 88°28'46" W	39.21'
L10	S 74°49'37" W	36.59'
L11	N 68°29'39" W	18.75'
L12	N 58°17'11" W	21.53'
L13	N 39°06'20" W	32.00'
E14	N 88°28'46" E	7.59'
E15	N 01°31'14" W	17.78'
E16	N 88°28'46" E	14.64'
E17	N 01°31'14" W	77.23'
E18	S 01°31'14" E	20.94'
E19	N 28°52'10" W	103.42'
E20	N 43°28'46" E	21.21'
E21	N 01°31'14" W	38.10'
E22	N 46°31'14" W	21.21'
E23	S 01°31'14" E	125.80'
E24	N 43°28'46" E	21.21'
E25	N 01°31'14" W	104.89'
E26	N 46°31'14" W	21.21'
E27	N 88°55'03" E	33.29'
E28	N 88°41'54" E	15.00'
E29	N 01°31'14" W	9.99'

GRAPHIC SCALE

100 0 50 100 200 400

(IN FEET)
1 inch = 100 ft.

REPLAT OF
RIDGEVIEW COURT ESTATES
BEING 19.568 ACRES IN THE
WILLIAM THOMPSON SURVEY, ABSTRACT NO. 1210
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
1-31-18

OWNERS/DEVELOPER
S & P TEXOMA REAL ESTATE, LLC
2805 W. WASHINGTON
SHERMAN, TEXAS 75092

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

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

SHEET 2 OF 3

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

S & P Texoma Real Estate, LLC
2805 W. Washington St.
Sherman, TX 75092

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Replat of Ridgeview Court Estates has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. No drive approaches will be permitted off of SH 56/Houston Street.
5. The width of the right-of-way and pavement for streets shall be shown on the plat.
6. Show existing lot lines on plat.
7. Water and Sewer Pro-Rata will be due at the time of development.
8. Costs of relocation of electric lines will be the responsibility of developer.
9. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
10. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
11. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 21.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

* **100-400 BLOCKS RIDGEVIEW ROAD**

The request of S&P Texoma Real Estate (Owners) and Underwood Drafting & Surveying (Surveyor) concerning the property located in the 100-400 Blocks Ridgeview Road, being 19.568 acres in the William Thompson Survey, Abstract No. 1210, also being Lots 1-15, Ridgeview Court Estates, as follows:

Planning and Zoning Commission

Replat approval of Ridgeview Court Estates

Background:

The property is located in the 100-400 blocks of Ridgeview Road; the northeast corner of Ridgeview Road and West Houston Street. The owner would like to replat the property into sixteen (16) lots for residential development.

Adjacent Zoning:

C-1 (Retail Business) District
R-1 (One Family Residential) District

Origination:

S&P Texoma Real Estate, LLC (Owners)
Underwood Drafting and Surveying (Surveyor)

Master Plan Designation:

Natural – Natural areas are wooded or vegetated lands which are essentially untouched by development and still retain significant resources.

Number of notices mailed:

26

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E.9.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Replat Approval of Carriage House Estates, Lot 3R, being a Replat of part of Lots 2 and 3 in the Carriage House Estates Addition, being 1 acre in the William Thompson Survey, Abstract No. 1209, also being a portion of Lots 2 and 3 of Carriage House Estates; Norberto and Lisa Galarza, Owners; and Preston Trail Land Surveying, Surveyor (2214 Carriage Estates Road)

Issue:

To consider Replat approval of Carriage House Estates, Lot 3R, being a Replat of part of Lots 2 and 3 in the Carriage House Estates, being 1 acre in the William Thompson Survey, Abstract No. 1209, also being a portion of Lots 2 and 3 of Carriage House Estates, located at 2214 Carriage Estates Road

Background:

The property is located at 2214 Carriage Estates Road just off West Lamberth Road in northwest Sherman. The property was annexed into the City on December 7, 2015, and is zoned an R-A (Single Family Agricultural) District. The owners would like to replat the property into one lot for residential development.

Origination:

Norberto and Lisa Galarza (Owners)
Preston Trail Land Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

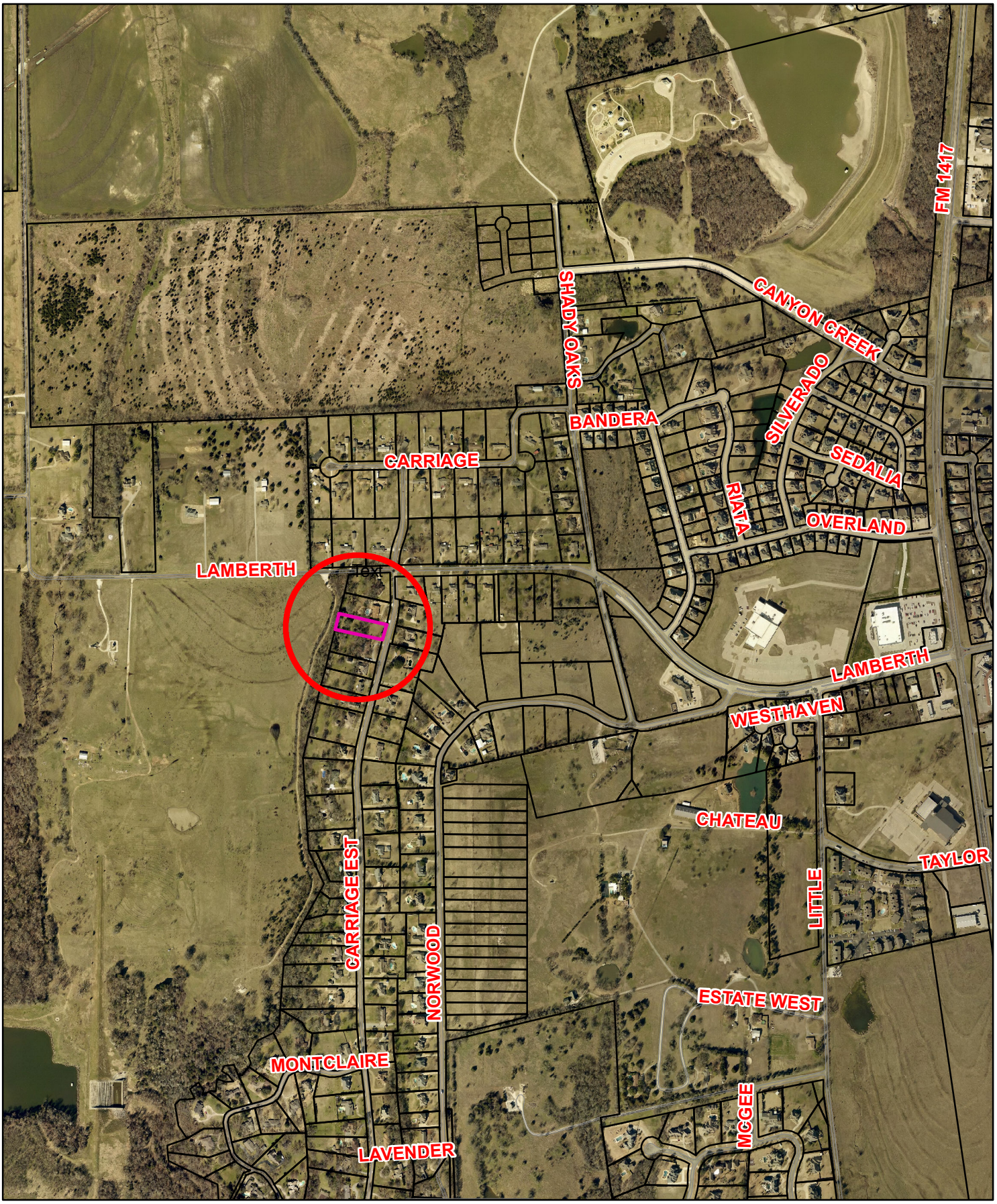
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication
Letter from Judy Fry



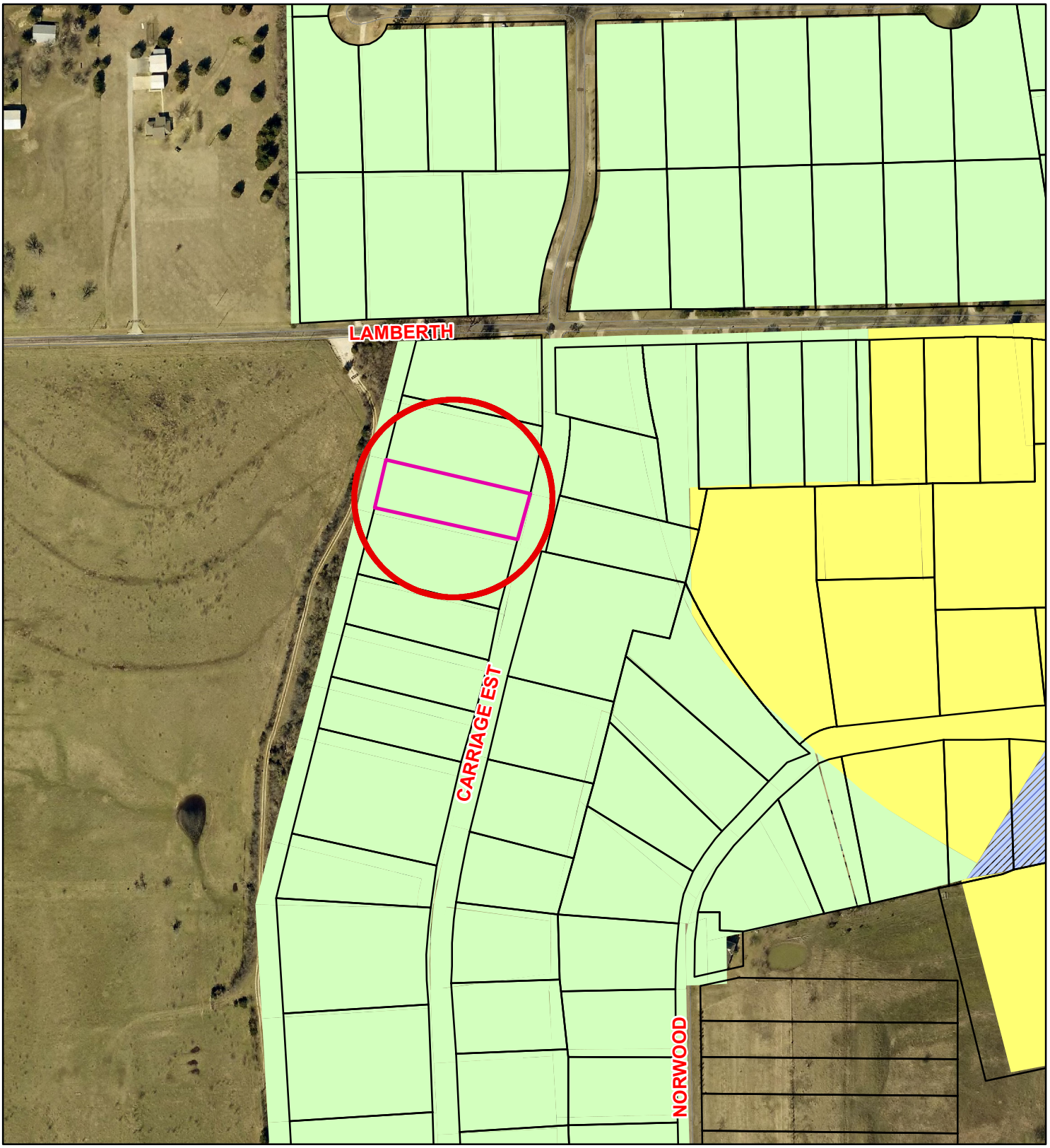
Sherman
CLASSIC TOWN. BROAD HORIZON.

2214 Carriage Estates Rd

NOT TO SCALE

1 in = 865 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 2214 Carriage Estates Road

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

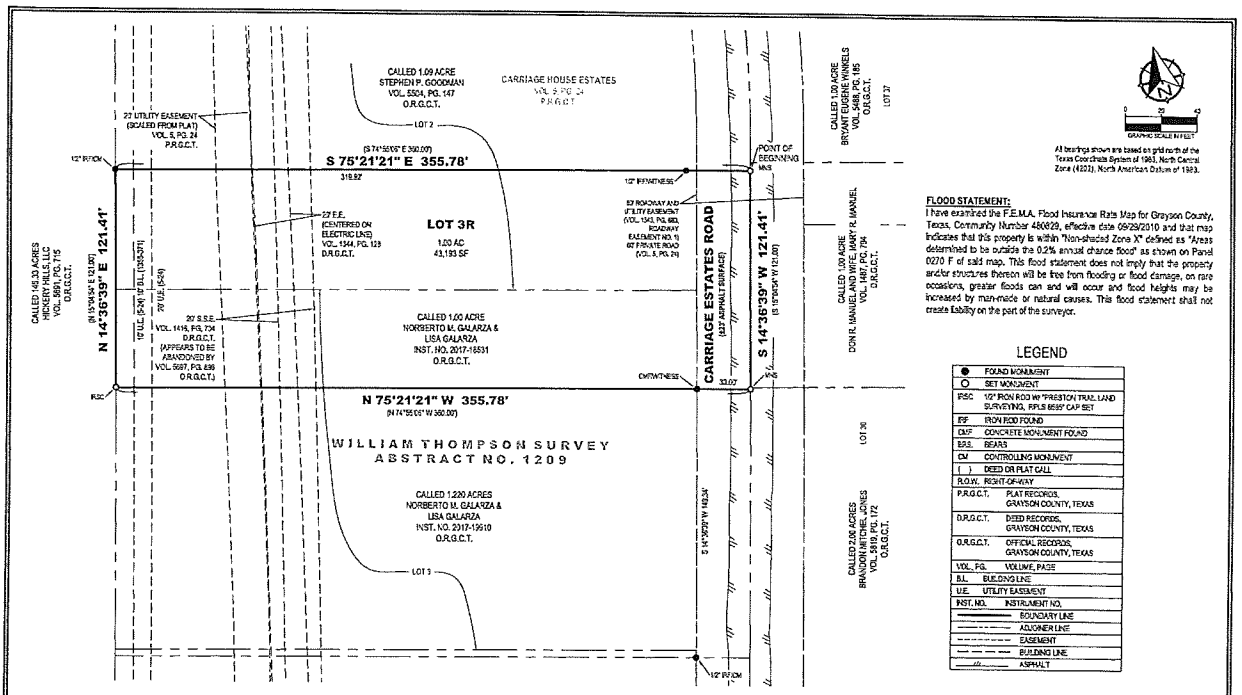
NOT TO SCALE

1 in = 300 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

2214 Carriage Estates Rd



All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4203), North American Datum of 1983.

FLOOD STATEMENT:
I have examined the F.E.M.A. Flood Insurance Rate Map for Grayson County, Texas, Community Number 480629, effective date 09/29/2010 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 0270 F 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
○	SET MONUMENT
IRSC	1/2" IRON ROD W/ "PRESTON TRAIL LAND SURVEYING, RPLS 6585" CAP SET
IRF	IRON ROD FOUND
CMF	CONCRETE MONUMENT FOUND
B.S.	BEARS
CM	CONTROLLING MONUMENT
( )	DEED OR PLAT CALL
R.O.W.	RIGHT-OF-WAY
P.R.G.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS
VOL., PG.	VOLUME, PAGE
B.L.	BUILDING LINE
U.E.	UTILITY EASEMENT
INST. NO.	INSTRUMENT NO.
	BOUNDARY LINE
	ADJOINER LINE
	EASEMENT
	BUILDING LINE
	ASPHALT

OWNER'S CERTIFICATE

WHEREAS NORBERTO M. GALARZA & LISA GALARZA are the rightful owners of all of that certain tract or parcel of land situated in the William Thompson Survey, Abstract No. 1209, City of Sherman, Grayson County, Texas, and being a re-tracement survey of a called 1.00 acre tract of land described in the deed to Norberto M. Galarza and Lisa Galarza, recorded in Instrument No. 2017-18531, Official Records of Grayson County, Texas, same being a portion of Lots 2 and 3 of the Carriage House Estates, an addition to Grayson County, Texas, according to the plat thereof recorded in Volume 5, Page 24, Plat Records of Grayson County, Texas, and a portion of a 60 foot wide private roadway labeled as Carriage Estates Road according to said plat, and being more particularly described as follows:

BEGINNING at a MAG Nail with an aluminum washer stamped "PRESTON TRAIL RPLS 6585" (hereinafter referred to as MAG Nail) set for the northeast corner of said 1.00 acre tract, common to the southeast corner of a called 1.09 acre tract of land described in a deed to Stephen P. Goodman, recorded in Volume 5504, Page 147, said Official Records, and on the westerly line of a called 1.00 acre tract described in a deed to Don. R. Manuel and wife, Mary R. Manuel, recorded in Volume 1487, Page 794, Deed Records of Grayson County, Texas, and in Carriage Estates Road;

THENCE South 14°36'39" West, with the easterly line of said 1.00 acre tract, and with the westerly line of said Manuel tract, a distance of 121.41 feet to a MAG Nail set for the southeast corner of said 1.00 acre tract, common to the northeast corner of a called 1.220 acre tract of land described in the deed to Norberto M. Galarza and Lisa Galarza, recorded in Instrument No. 2017-19910, said Official Records, and in Carriage Estates Road;

THENCE North 75°21'21" West, with the southerly line of said 1.00 acre tract, and with the northerly line of said 1.220 acre tract, passing en route at a distance of 30.00 feet a concrete monument found for witness on the west side of said Carriage Estates Road, and continuing on said course, along or near a fence part of the way, a total distance of 355.78 feet a 1/2-inch iron rod with plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" set for the southwest corner of said 1.00 acre tract, common to the northwest corner of said 1.220 acre tract, and on the easterly line of a called 145.33 acre tract of land described in the deed to Hickory Hills, LLC, recorded in Volume 5691, Page 715, said Official Records;

THENCE North 14°36'39" East, with the westerly line of said 1.00 acre tract, and with the easterly line of said 145.33 acre tract, along or near a fence, a distance of 121.41 feet a 1/2-inch iron rod found for the northwest corner of said 1.00 acre tract, common to the southwest corner of aforesaid 1.09 acre tract;

THENCE South 75°21'21" East, with the northerly line of said 1.00 acre tract, and with the southerly line of said 1.09 acre tract, along or near a fence part of the way, passing en route at a distance of 318.92 feet a 1/2-inch iron rod found for witness on the west side of said Carriage Estates Road, and continuing on said course, a total distance of 355.78 feet to the POINT OF BEGINNING and enclosing 1.00 acre (43,193 square feet) of land, more or less.

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 **REPLAT OF CARRIAGE HOUSE ESTATES LOT 3R** 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 hereinbelow 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

OWNER'S DEDICATION

KNOW ALL MEN BY THESE PRESENTS

That **NORBERTO M. GALARZA & LISA GALARZA**, do hereby adopt this plat designating the hereinbefore described property as **REPLAT OF CARRIAGE HOUSE ESTATES LOT 3R**, an Addition to the City of Sherman, Grayson County, Texas, and do 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: _____
Norberto M. Galarza

By: _____
Lisa Galarza

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 Norberto M. Galarza, 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

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 Lisa Galarza, 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_____.

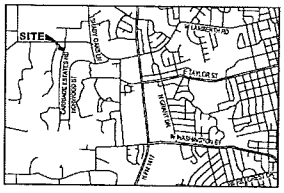
_____
Notary Public in and for the State of Texas

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



VICINITY MAP
(NOT TO SCALE)

OWNER:
Norberto M. Galarza &
Lisa Galarza
1737 Carriage Estates Road
Sherman, Tx 75092
Ph: 903-821-1071

SURVEYOR:
Chris Noah, RPLS 6585
Preston Trail Land Surveying LLC
63493 N State Highway 289
Suite No. 5
Pottsboro, TX 75076
Ph: 903-786-6029

REPLAT OF CARRIAGE HOUSE ESTATES LOT 3R
1.00 ACRE
WILLIAM THOMPSON SURVEY, ABSTRACT NO. 1209
BEING PART OF LOTS 2 & 3
IN THE CARRIAGE HOUSE ESTATES
Carriage Estates Road, Sherman
Grayson County, Texas

Preston Trail LAND SURVEYING
63493 N. State Hwy 289, Suite 5
Pottsboro, TX 75076
www.prestontrallandsurveying.com
903-786-6029

TBPLS Firm No. 10194075	Drawn by: BVH Checked by: CRN	Scale: 1"=40 Date: 07/15/2019	Project No. M-03613 Sheet No. 1 of 1

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

Norberto M. & Lisa Galarza
1707 Carriage Estates Road
Sherman, TX 75092

Preston Trail Land Surveying, LLC
83493 N. State Hwy. 289, Suite 5
Pottsboro, TX 75076

Dear Applicants,

The request for approval of the Replat of Carriage House Estates Lot 3R has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Remove building setback lines.
6. No city sewer available; on-site sewage systems only for these properties. Verify requirements with Grayson County.
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. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 9.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

*** 2214 CARRIAGE ESTATES ROAD**

The request of Norberto & Lisa Galarza (Owners) and Preston Trail Land Surveying (Surveyor) concerning the property located at 2214 Carriage Estates Road, being 1 acre in the William Thompson Survey, Abstract No. 1209, also being a portion of Lots 2 & 3 of Carriage House Estates, as follows:

Planning and Zoning Commission

Replat approval of Carriage House Estates Lot 3R, being a Replat of part of Lots 2 & 3 in the Carriage House Estates.

Background:

The property is located at 2214 Carriage Estates Road just off West Lamberth Road in northwest Sherman. The property was annexed into the City December 7, 2015, and is zoned an R-A (Single Family Agricultural) District. The owners would like to replat the property into one lot for residential development.

Adjacent Zoning:

R-A (Single Family Agricultural) District

Origination:

Norberto & Lisa Galarza (Owners)
Preston Trail Land Surveying (Surveyor)

Master Plan Designation:

Was not included in the Master Plan

Number of notices mailed:

64

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
Letter from Judy Fry

RECEIVED
FEB 0 8 2018

February 5, 2018

Planning and Zoning Board
P.O. Box 1106
Sherman, Texas 75091

RE: Norberto & Lisa Galarza Replat of lot
Carriage Estates

Dear Mr. Shadden:

I live at 2006 Carriage Estates Road, which is within 200 feet of the lot that is requested to be replat. The houses located within Carriage Estates subdivision are all built on a minimum of one acre lots, are single family homes with a minimum of 2000 square feet. If this replat results in less than a one acre lot and/or dwelling less than 2000 sq ft then I am very much opposed to this replat. This subdivision is almost completely built out with just a few lots that are vacant. Having a lot with less than the one acre minimum would certainly not be in the best interests of this subdivision.

I will be out of town when the public meeting will be held. Please use this letter as my notification of opposing this replat.

Thank you for your consideration.

Sincerely,

Judy Fry

Judy Statham Fry
2006 Carriage Estates Road
Sherman, Texas 75092
903-816-0782

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E.10.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Final Plat Approval of Quail Run, Phase Two, being 20.429 acres in the Elizabeth Jones Survey, Abstract No. 625; 1417 Land Holdings, LLC, Owners; 300 Sherman, LP, Developer; Greg Edwards Engineering Services, Inc., Civil Engineer; and Preston Trail Land Surveying, LLC, Surveyor (4700-5200 blocks of Quail Run Road and Cormorant Drive)

Issue:

To consider Final Plat approval of Quail Run, Phase Two, being 20.429 acres in the Elizabeth Jones Survey, Abstract No. 625, located in the 4700-5200 blocks of Quail Run Road and Cormorant Drive

Background:

The property is located in the 4700-5200 blocks of Quail Run Road and Cormorant Drive. The property is zoned an R-1 (One Family Residential) District and SF-1 (Single Family Residential) District. The owners would like to plat the property into eighty-four (84) lots for single family residential development with two open space lots.

Origination:

1417 Land Holdings LLC (Owners)
300 Sherman, LP (Developer)
Greg Edwards Engineering Services, Inc. (Civil Engineer)
Preston Trail Land Surveying, LLC (Surveyor)

Financial Consideration:

None

Staff Recommendation:

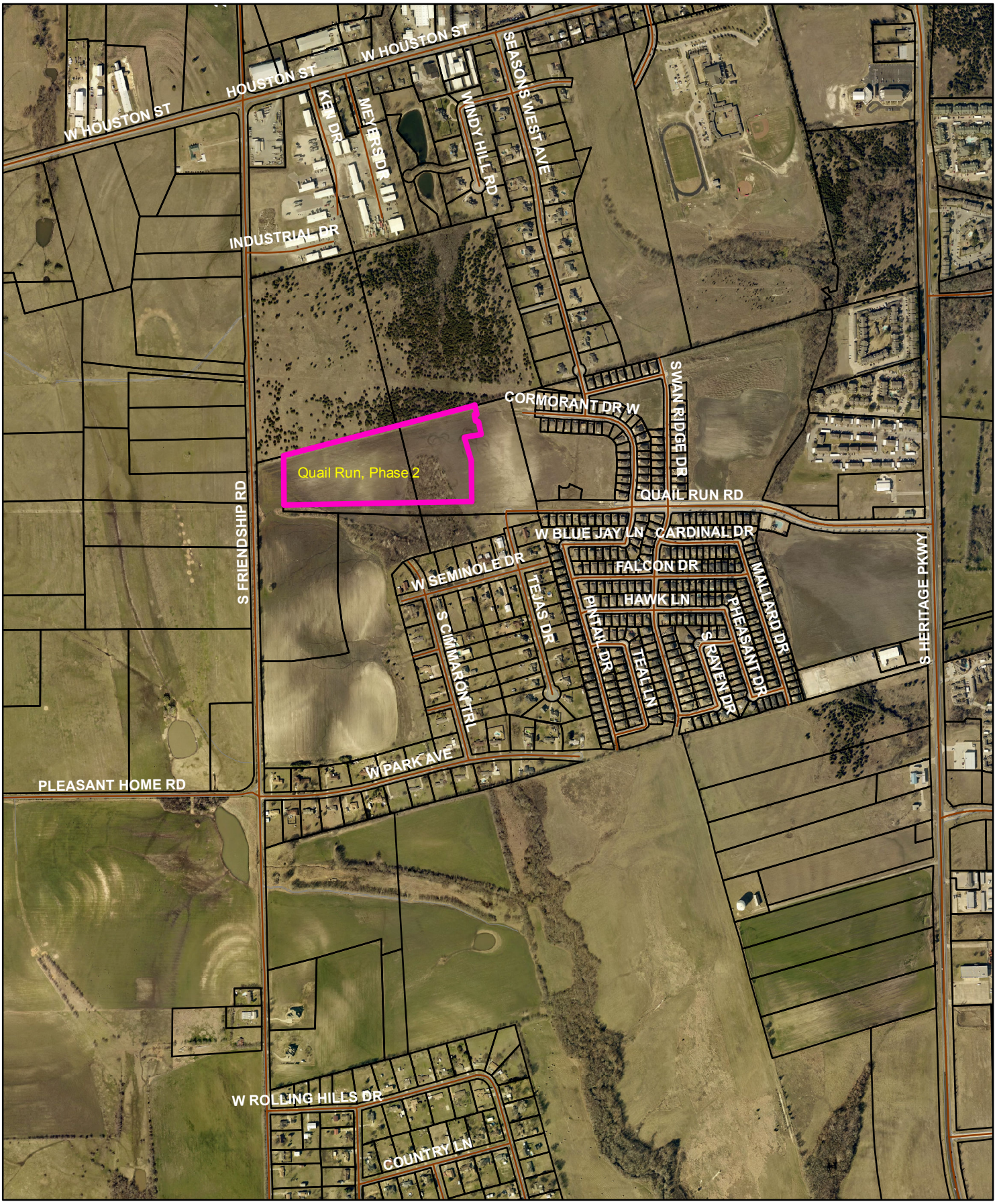
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter
P&Z Communication



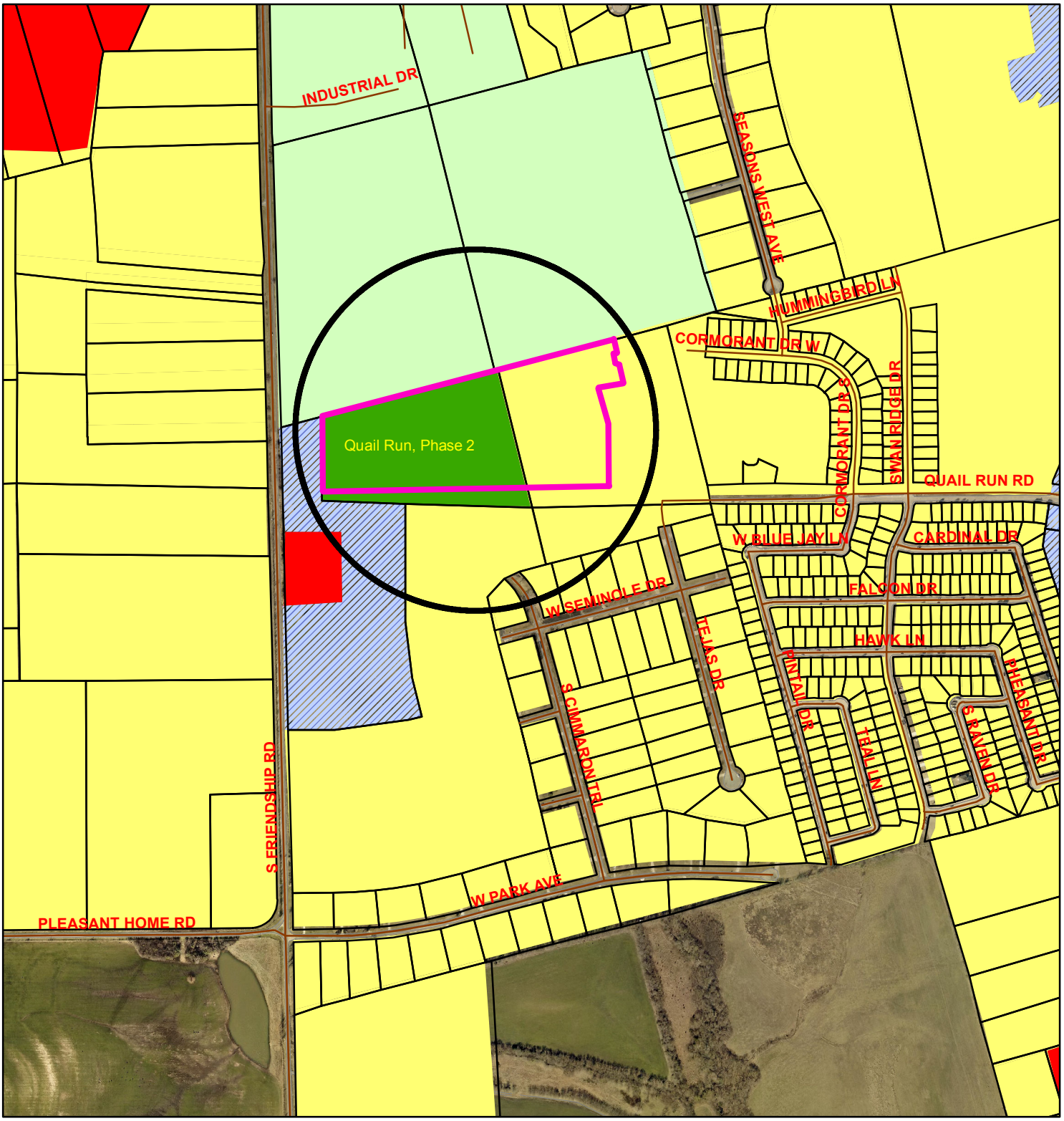
Sherman
CLASSIC TOWN. BROAD HORIZON.

4700-5200 Blks. Quail Run Road & Cormorant Drive

NOT TO SCALE

1 in = 1,000 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 4700-5200 Blks. Quail Run Road & Cormorant Drive

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
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- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
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- M-1 Light Manufacturing District
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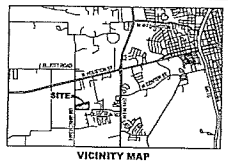
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

Sherman
CLASSIC TOWN. BROAD HORIZON.

NOT TO SCALE

1 in = 700 ft

City of Sherman, Texas
Developmental Services Department

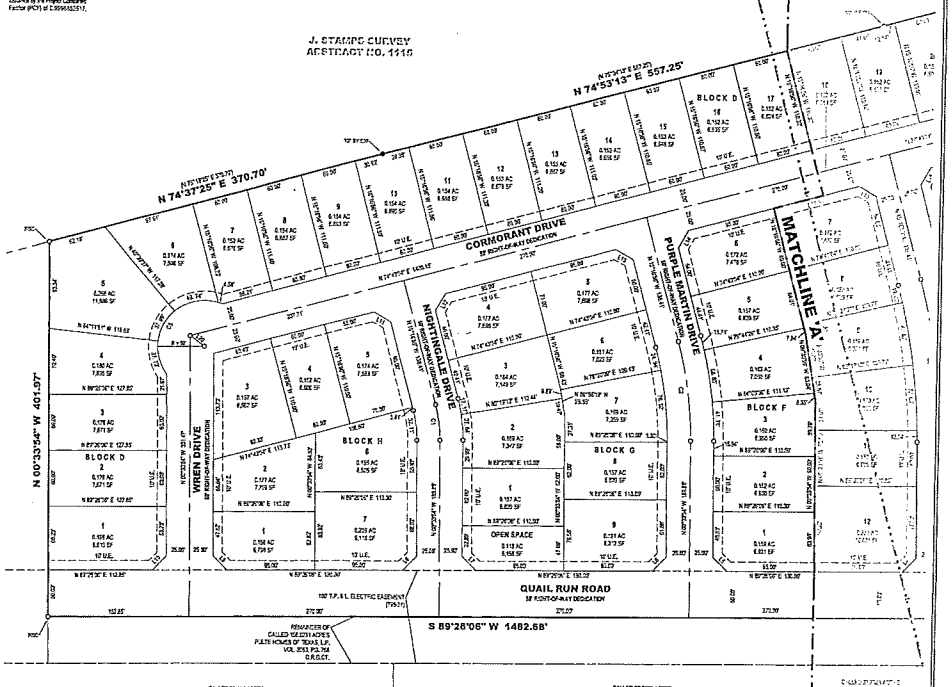


VICINITY MAP
(NOT TO SCALE)

All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983. All dimensions shown are ground distances. To obtain a grid distance, multiply the ground distance by the Project Combined Factor (PCF) of 0.999682517.

LEGEND

●	FOUND MONUMENT
○	SET MONUMENT
IRSC	1/2" IRON ROD W/ "PRESTON TRAIL LAND SURVEYING, RPLS 6565" CAP SET
IFF	IRON FOUND FOUND
IFPC	IRON ROD FOUND W/PLASTIC CAP
P.R.G.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS
O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS
VOL./PG.	VOLUME/ PAGE
AC	ACRES
SF	SQUARE FOOT
U.E.	UTILITY EASEMENT
R.O.W.	RIGHT-OF-WAY
———	BOUNDARY LINE
———	ADJOINER LINE
- - - -	EASEMENT



LINE	BEARING	DISTANCE
L1	N 45°33'54" W	21.21'
L2	N 44°26'06" E	21.21'
L3	N 45°33'54" W	21.21'
L4	N 44°26'06" E	21.21'
L5	N 45°33'54" W	21.21'
L6	N 44°26'06" E	21.21'
L7	N 45°33'54" W	21.21'
L8	N 44°26'06" E	21.21'
L9	N 45°33'54" W	21.21'
L10	N 44°26'06" E	21.21'
L11	N 60°16'56" W	21.21'
L12	N 29°43'04" E	21.21'
L13	N 60°16'56" W	21.21'
L14	N 29°43'04" E	21.21'
L15	N 60°16'56" W	21.21'
L16	N 29°43'04" E	21.21'
L17	N 60°16'56" W	21.21'
L18	N 29°43'04" E	21.21'
L19	N 60°16'56" W	21.21'
L20	N 52°55'25" W	18.84'
L21	N 29°43'04" E	28.28'
L22	N 60°16'56" W	28.16'

GENERAL NOTES:

1. 1/2-inch iron rod with a plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6565" set for all lot corners unless otherwise specified.

CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	38.53	150.00	14°43'02"	N 07°55'25" W	33.42
C2	107.88	420.00	14°43'02"	N 07°55'25" W	107.59'
C3	177.23	690.00	14°43'02"	N 07°55'25" W	176.75'
C4	77.09	300.00	14°43'02"	N 07°55'25" W	76.85'
C5	130.09	50.00	149°01'22"	N 37°04'35" E	96.37'

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

FINAL PLAT
QUAIL RUN, PHASE TWO
20.429 ACRES
JASON STAMPS SURVEY, ABSTRACT NO. 1115
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
City of Sherman, Grayson County, Texas

DEVELOPER:
303 Sherman LP
11002 Scarsdale Blvd. #B
Houston, TX 77089
Contact: Do Nguyen

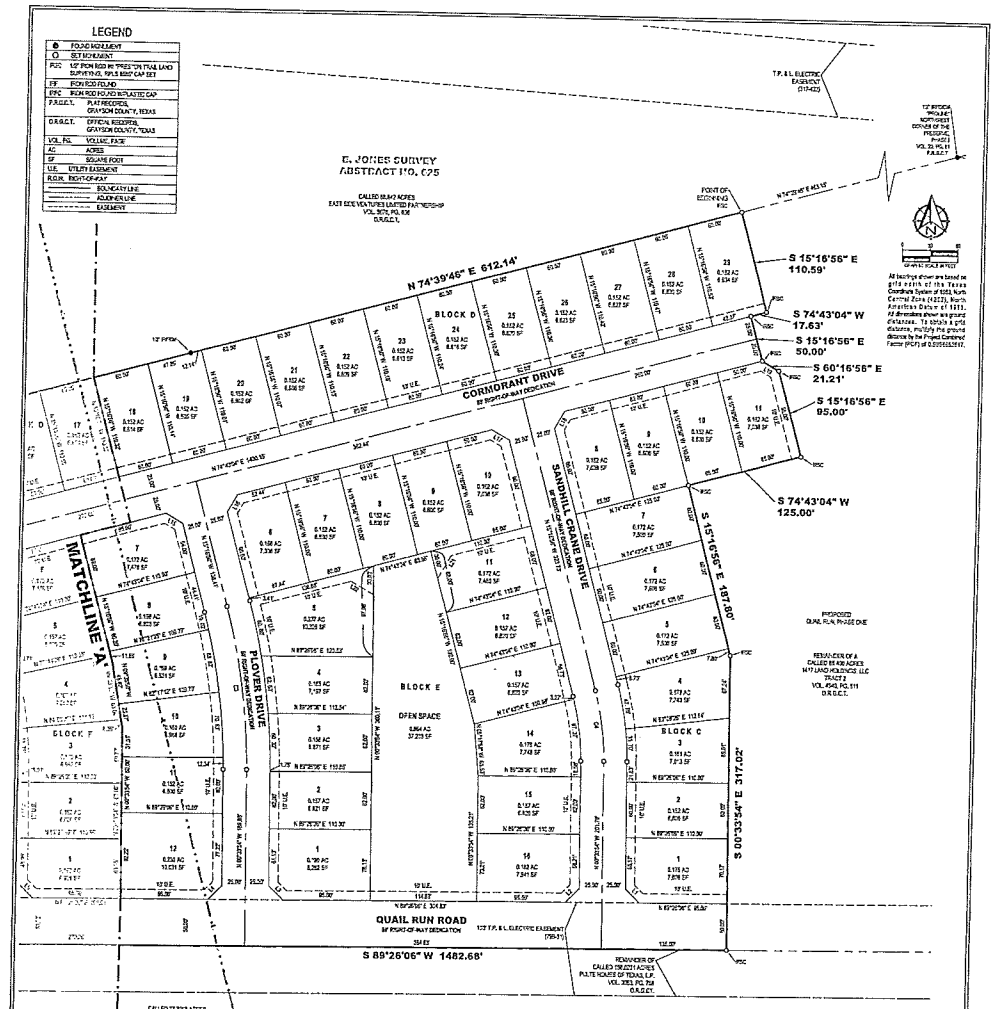
OWNER:
1417 Land Holdings LLC
PO Box 601357
Dallas, TX 75360
Ph: 903-818-1208
Contact: Shane Shoulders

ENGINEER:
GEES, Inc
1621 Amanda Court
Pender, TX 76259
Ph: 940-482-2907
Contact: Greg Edwards, P.E.

SURVEYOR:
Chris Nash, RPLS 6565
Preston Trail Land Surveying LLC
83433 N State Highway 289
Suite No. 5
Pottsboro, TX 75076
Ph: 903-786-8029

Preston Trail LAND SURVEYING
83433 N. State Hwy 289, Suite 5
Pottsboro, TX 75076
www.prestontrailsurveying.com
903-786-8029

RPLS Firm No. 10194015	Drawn by: DBH	Scale: 1"=50'	Project No. 0240312
	Checked by: CNN	Date: 01/05/2026	Sheet No. 1 of 3



LINE	BEARING	DISTANCE
L1	N 45°33'54" W	21.21'
L2	N 44°26'06" E	21.21'
L3	N 45°33'54" W	21.21'
L4	N 44°26'06" E	21.21'
L5	N 45°33'54" W	21.21'
L6	N 44°26'06" E	21.21'
L7	N 45°33'54" W	21.21'
L8	N 44°26'06" E	21.21'
L9	N 45°33'54" W	21.21'
L10	N 44°26'06" E	21.21'
L11	N 60°16'56" W	21.21'
L12	N 29°43'04" E	21.21'
L13	N 60°16'56" W	21.21'
L14	N 29°43'04" E	21.21'
L15	N 60°16'56" W	21.21'
L16	N 29°43'04" E	21.21'
L17	N 60°16'56" W	21.21'
L18	N 29°43'04" E	21.21'
L19	N 60°16'56" W	21.21'
L20	N 52°55'25" W	18.84'
L21	N 29°43'04" E	28.28'
L22	N 60°16'56" W	28.16'

GENERAL NOTES:

1. 1/2-inch iron rod with a plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6565" set for all lot corners unless otherwise specified.

CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	38.53	150.00	14°43'02"	N 07°55'25" W	33.42
C2	107.88	420.00	14°43'02"	N 07°55'25" W	107.59'
C3	177.23	690.00	14°43'02"	N 07°55'25" W	176.75'
C4	77.09	300.00	14°43'02"	N 07°55'25" W	76.85'
C5	130.09	50.00	149°01'22"	N 37°04'35" E	96.37'

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

FINAL PLAT
QUAIL RUN, PHASE TWO
20.429 ACRES
JASON STAMPS SURVEY, ABSTRACT NO. 1115
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
City of Sherman, Grayson County, Texas

DEVELOPER:
303 Sherman LP
11002 Scarsdale Blvd. #B
Houston, TX 77089
Contact: Do Nguyen

OWNER:
1417 Land Holdings LLC
PO Box 601357
Dallas, TX 75360
Ph: 903-818-1208
Contact: Shane Shoulders

ENGINEER:
GEES, Inc
1621 Amanda Court
Pender, TX 76259
Ph: 940-482-2907
Contact: Greg Edwards, P.E.

SURVEYOR:
Chris Nash, RPLS 6565
Preston Trail Land Surveying LLC
83433 N State Highway 289
Suite No. 5
Pottsboro, TX 75076
Ph: 903-786-8029

Preston Trail LAND SURVEYING
83433 N. State Hwy 289, Suite 5
Pottsboro, TX 75076
www.prestontrailsurveying.com
903-786-8029

RPLS Firm No. 10194015	Drawn by: DBH	Scale: 1"=50'	Project No. 0240312
	Checked by: CNN	Date: 01/05/2026	Sheet No. 2 of 3

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

1417 Land Holdings, LLC
P.O. Box 601357
Dallas, TX 75360

300 Sherman, LP
11002 Scarsdale Blvd., #B
Houston, TX 77089

GEES, Inc.
1621 Amanda Court
Ponder, TX 76259

Preston Trail Land Surveying, LLC
83493 N. State Hwy. 289, Ste. 5
Pottsboro, TX 75076

Dear Applicants,

The request for approval of the Final Plat of Quail Run, Phase Two has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Plover Drive must be renamed and new name must be approved by Building & Zoning Department. There is already a street named Plover.
6. Minimum lot widths shall be 60' at street frontage.
7. Open Spaces must have lot numbers and be deeded to HOA.
8. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
9. Development Agreement required for Public Infrastructures.
10. Water and sewer shall be extended to serve the development. Verify sewer capacity for proposed use.
11. A utility, drainage, and grading plan shall be provided and approved by the City Engineering Department. A site development meeting is recommended.
12. 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.
13. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must

look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 12.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

*** 4700-5200 BLOCKS QUAIL RUN ROAD AND CORMORANT DRIVE**

The request of 1417 Land Holdings LLC (Owners), 300 Sherman, LP (Developer), Greg Edwards Engineering Services, Inc. (Civil Engineer) and Preston Trail Land Surveying, LLC (Surveyor) concerning the property located in the 4700-5200 Blocks of Quail Run Road and Cormorant Drive, being 20.429 acres in the Elizabeth Jones Survey, Abstract No. 625, as follows:

Planning and Zoning Commission

Final Plat approval of Quail Run, Phase Two

Background:

The property is located in the 4700-5200 Blocks of Quail Run Road and Cormorant Drive. The property is zoned an R-1 (One Family Residential) District and SF-1 (Single Family Residential) District. The owners would like to plat the property into eighty-four (84) lots for single-family residential development with two open space lots.

Adjacent Zoning:

R-A (Single Family Agricultural) District
R-1 (One Family Residential) District
R-2 (Multi-Family Residential) District

Origination:

1417 Land Holdings LLC (Owners)
300 Sherman, LP (Developer)
Greg Edwards Engineering Services, Inc. (Civil Engineer)
Preston Trail Land Surveying, LLC (Surveyor)

Master Plan Designation:

Suburban Residential – Increased density and closer building setbacks separate Suburban Residential from Countryside and Estate, but more landscaping and open space distinguish Suburban Residential from Urban and Auto-Urban categories. New suburban subdivisions typically have curvilinear streets and sidewalks, as well as curb and gutter.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E.11.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Final Plat Approval of Calverley Addition, being 1.475 acres in the Elizabeth Jones Survey, Abstract No. 625; Tracy and Debra Calverley, Owners; and Underwood Drafting and Surveying, Surveyor (3412 West Houston Street)

Issue:

To consider Final Plat approval of Calverley Addition, being 1.475 acres in the Elizabeth Jones Survey, Abstract No. 625, located at 3412 West Houston Street

Background:

The property is located at 3412 West Houston Street between Ridgeview Road and Swan Ridge Drive and is zoned a C-1 (Retail Business) District. The owners would like to plat the property into two lots for commercial development.

Origination:

Tracy and Debra Calverley (Owners)
Underwood Drafting & Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter
P&Z Communication

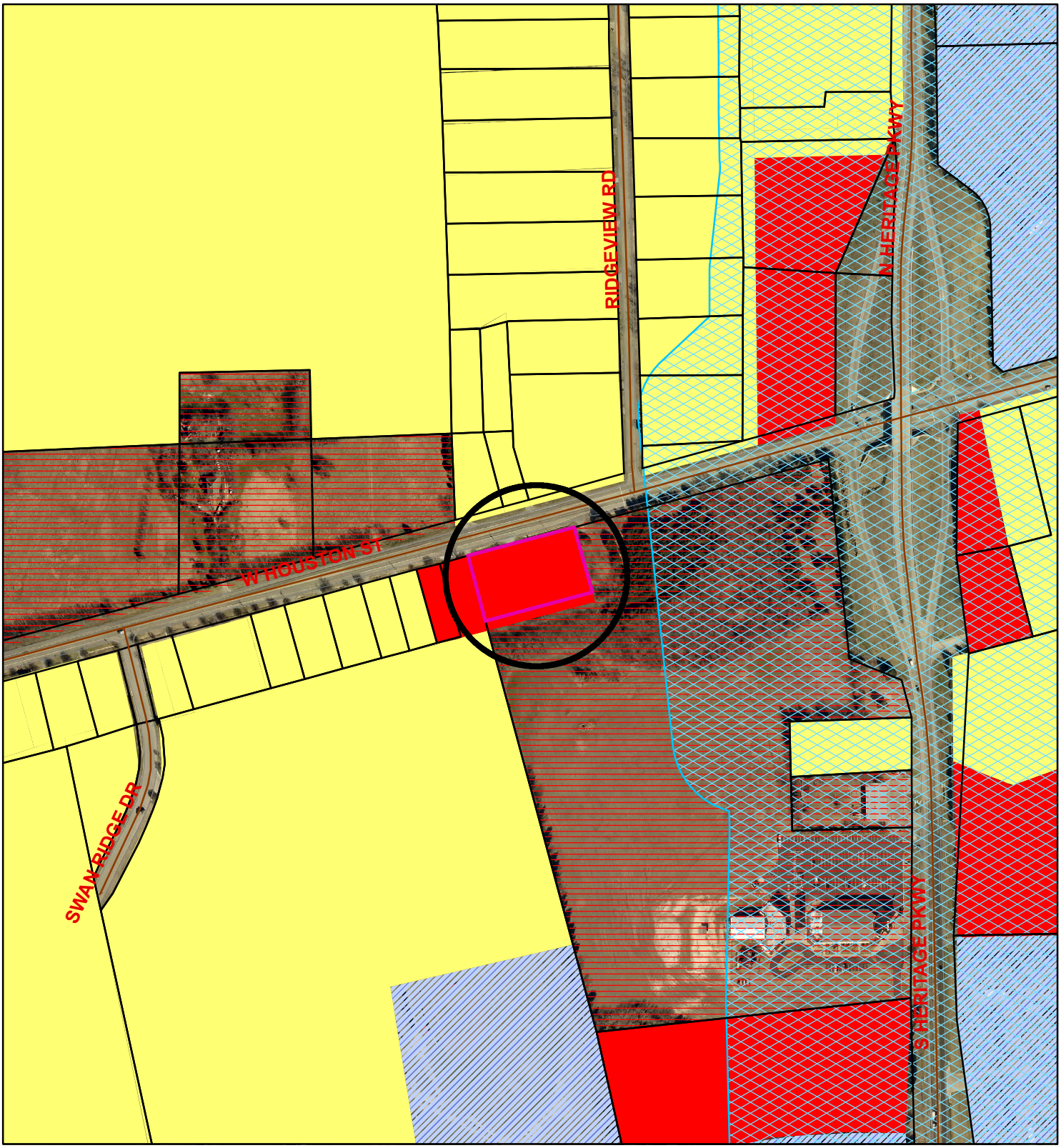
Sherman
CLASSIC TOWN. BROAD HORIZON.

3412 West Houston Street

NOT TO SCALE

1 in = 367 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 3412 West Houston Street

Legend

Special Districts Overlay

DISTRICT_NAME

- Arts and Cultural District
- Bialock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep

- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

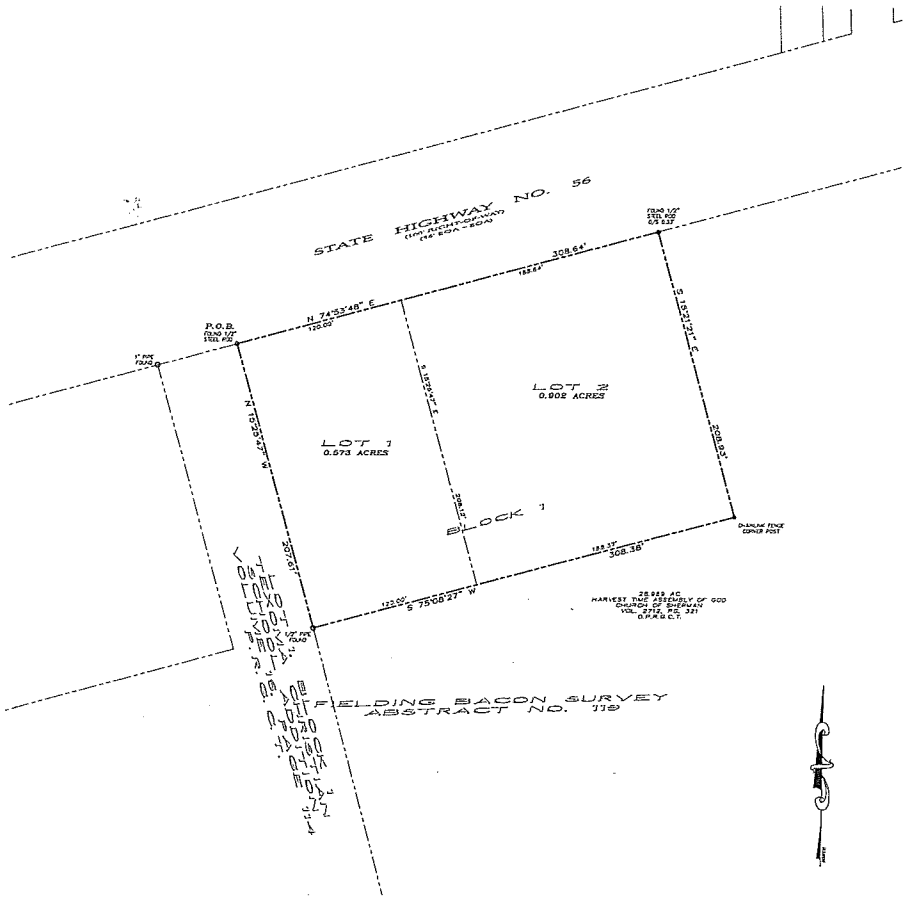
- Unknown
- BIP Bialock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

Sherman
CLASSIC TOWN. BROAD HORIZON.

NOT TO SCALE

1 in = 367 ft

City of Sherman, Texas
Developmental Services Department



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

FINAL PLAT
CALVERLEY ADDITION
BEING 1.475 ACRES IN THE
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
1-24-18

GRAPHIC SCALE
(IN FEET)
1 inch = 100 ft.

OWNERS/DEVELOPER	SURVEYOR
TRACY VALVERLEY	DOUGLAS W. UNDERWOOD
3159 N SH 289	R.P.L.S. NO. 4709
SHERMAN, TEXAS 75092	3404 INTERURBAN ROAD
	DENISON, TEXAS

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

LEGAL DESCRIPTION

Situated in the City of Sherman, County of Grayson, State of Texas, being a part of the Elizabeth Jones Survey, Abstract No. 625, and being all of the 1.47 acre tract of land conveyed to Tracy & Debra Calverley by deed of record in Document No. 2017-28705, 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 south right-of-way line of State Highway No. 56 said rod also maintaining the northeast corner of Lot 1, Block 1 of Texoma Christian School Addition an addition to the City of Sherman as shown by plat of record in Volume 16, Page 114, Plat Records, Grayson County, Texas said rod also maintaining the northeast corner of said 1.47 acre tract;

Thence North 74°53'48" East, along the south right-of-way line of said State Highway No. 56, a distance of 308.64 feet to a point being the the northerly most northwest corner of a 28.989 acre tract of land conveyed to Harvest Time Assembly of God Church of Sherman by deed of record in Volume 2712, Page 321 of said Official Public Records;

Thence South 15°21'21" East, along the west line of said 28.989 acre tract passing a 1/2" steel rod found at a distance of 0.33 feet and continuing for a total distance of 208.93 feet to a chainlink fence corner post maintaining an angle point in the west line of said 28.989 acre tract;

Thence South 75°08'27" West, continuing along the west line of said 28.989 acre tract, a distance of 308.38 feet to a 1/2" pipe found in the east line of said Lot 1;

Thence North 15°25'47" West, along the east line of said 28.989 acre tract, a distance of 207.61 feet to the Point-of-Beginning and containing 1.475 acres of land.

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, 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.

Douglas W. Underwood
Registered Professional
Land Surveyor, No. 4709

Date

~ 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 Grayson 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. The owner of the property shall keep the drainage ways along or across the addition in an unobstructed condition and be responsible for maintaining 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 drainage easements for the control of erosion.
7. Neither the City of Sherman nor the undersigned surveyor will be responsible for any damages of personal injury, or loss of life or property occasioned by flowing or flooding conditions.
8. The owners and subdivider must comply with all other local, state and federal regulations regarding developments of this type.
9. Property is located 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 the property.
11. As shown, a portion of the subject property lies within the limits of an area defined as Zone "A" determined to be outside a flood hazard area, according to the Federal Emergency Management Agency Flood Insurance Rate Map for Grayson County, Texas and Incorporated areas, Map No. 48181C0270 F, revised 9/29/2010.

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT WE, TRACY CALVERLEY & DEBRA CALVERLEY, do hereby adopt this plat designating the hereinabove property as the Final Plat of the CALVERLEY 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 of any buildings, fences, trees, shrubs or other improvements or growths which may 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 _____, 2018.

TRACY CALVERLEY

DEBRA CALVERLEY

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 TRACY CALVERLEY 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_____, 2018.

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 DEBRA CALVERLEY 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_____, 2018.

Notary Public in and for
the State of Texas

ACCEPTANCE

Approved this _____ day of _____, 2018, by the City Planning Commission to the City of Sherman, Texas.

Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman

Mayor, City of Sherman, Texas Date

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, Final Plat of the CALVERLEY ADDITION, an addition to the City of Sherman, Texas, was submitted to the City Council on the_____day of _____, 2018, 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 _____, 2018.

Clerk, City of Sherman, Texas

FINAL PLAT
CALVERLEY ADDITION
BEING 1.475 ACRES IN THE
ELIZABETH JONES SURVEY, ABSTRACT NO. 625
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
1-24-18

OWNERS/DEVELOPER	SURVEYOR
TRACY VALVERLEY	DOUGLAS W. UNDERWOOD
3159 N SH 289	R.P.L.S. NO. 4709
SHERMAN, TEXAS 75092	3404 INTERURBAN ROAD
	DENISON, TEXAS

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

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

Tracy Calverley
3159 N. SH 289
Sherman, TX 75092

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Calverley Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from City of Sherman Engineering Department. Coordinate with Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Correct spelling of owner's last name on plat.
6. Dedicate a 10' Utility Easement along S.H. 56 (W. Houston St.).
7. Verify sewer location.
8. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
9. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
10. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint Philpott

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 15.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

* **3412 W. HOUSTON STREET**

The request of Tracy and Debra Calverley (Owners) and Underwood Drafting & Surveying (Surveyor) concerning the property located at 3412 West Houston Street, being 1.475 acres in the Elizabeth Jones Survey, Abstract No. 625, as follows:

Planning and Zoning Commission

Final Plat approval of Calverley Addition

Background:

The property is located at 3412 West Houston Street between Ridgeview Road and Swan Ridge Drive and is zoned a C-1 (Retail Business) District. The owners would like to plat the property into two lots for commercial development.

Adjacent Zoning:

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

Origination:

Tracy and Debra Calverley (Owners)
Underwood Drafting & Surveying (Surveyor)

Master Plan Designation:

Auto Urban Commercial – Require more land for parking than building floor area. Automobiles and parking are the most prominent features. Parking lots reduce building density and prevent any possibility of creating an enclosed space.

Number of notices mailed:
Not required.

Objections Received:
0

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E.12.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Replat Approval of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, being a part of the James H. Clark Survey, Abstract No. 273 and being a Replat of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One; Young Enterprises, LP, Owner; and Helvey-Wagner Surveying, Inc., Surveyor (200 block of Hilre Drive and 4900 block of Knollwood Road)

Issue:

To consider Replat approval of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, being a part of the James H. Clark Survey, Abstract No. 273 and being a Replat of Lots 1, 2 and 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, located in the 200 block of Hilre Drive and the 4900 block of Knollwood Road

Background:

The property is located in the 200 block of Hilre Drive and the 4900 block of Knollwood Road; the northeast corner of Hilre Drive and Knollwood Road. The property is is zoned a C-1 (Retail Business) District; and the owner is requesting a zone change to an SF-1 (Single Family Residential) District and to Replat the property into five lots for residential development; one lot being a detention pond area.

Origination:

Young Enterprises LP (Owner)
Helvey-Wagner Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

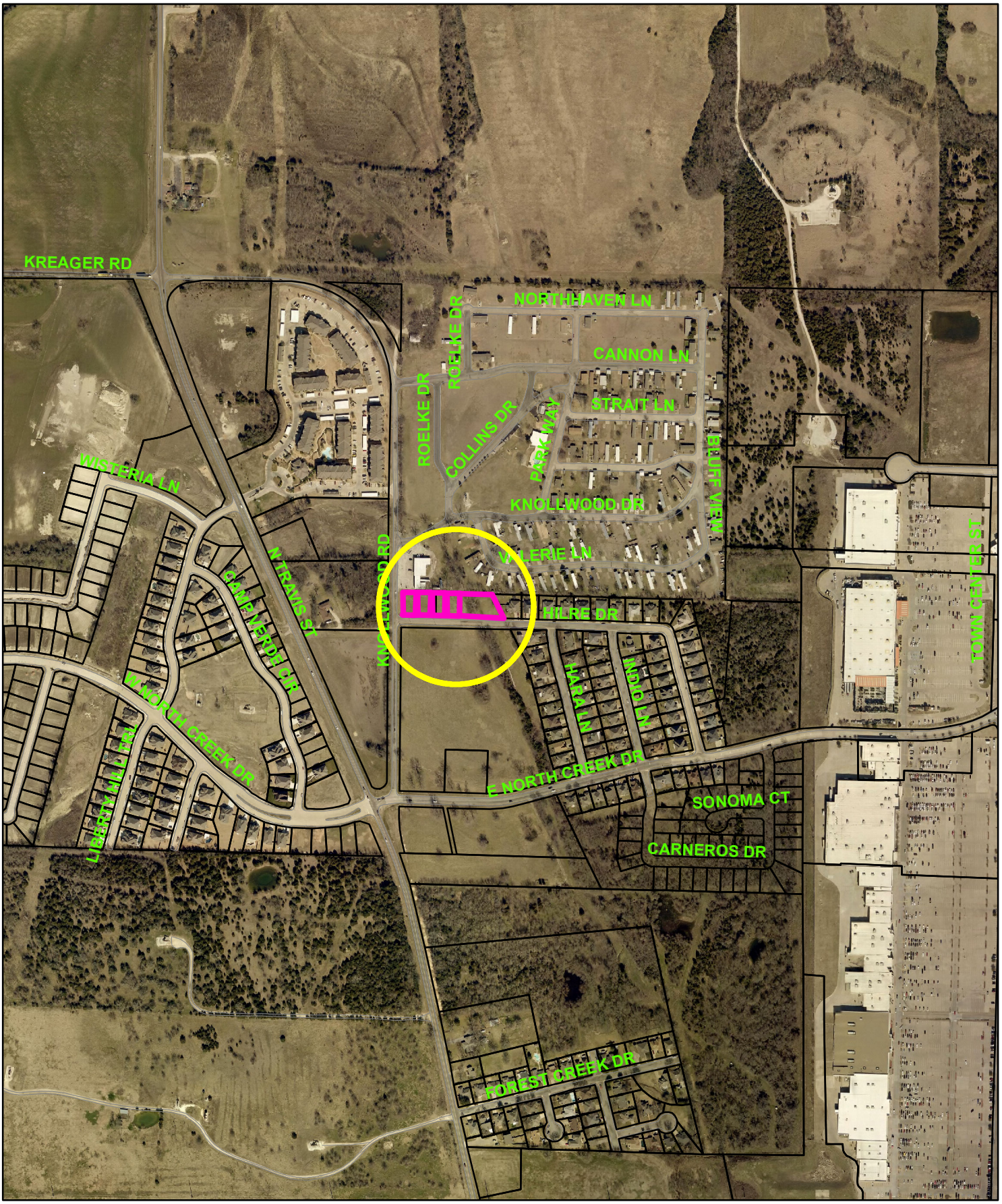
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication



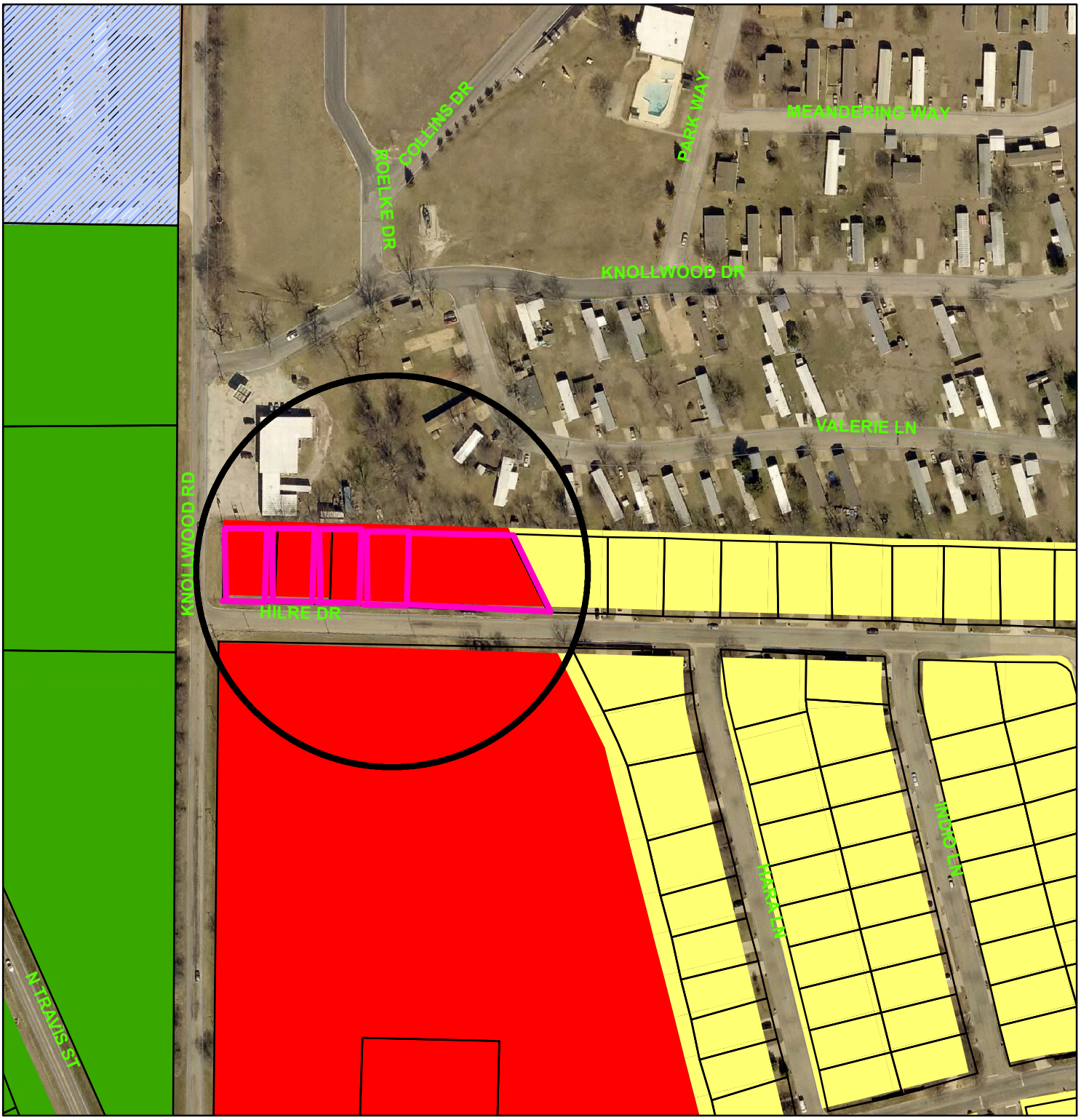
Sherman
CLASSIC TOWN. BROAD HORIZON.

200 Block Hilre Drive & 4900 Block Knollwood Road

NOT TO SCALE

1 in = 600 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 200 Block Hilre Drive & 4900 Block Knollwood Road

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

Sherman
CLASSIC TOWN. BROAD HORIZON.

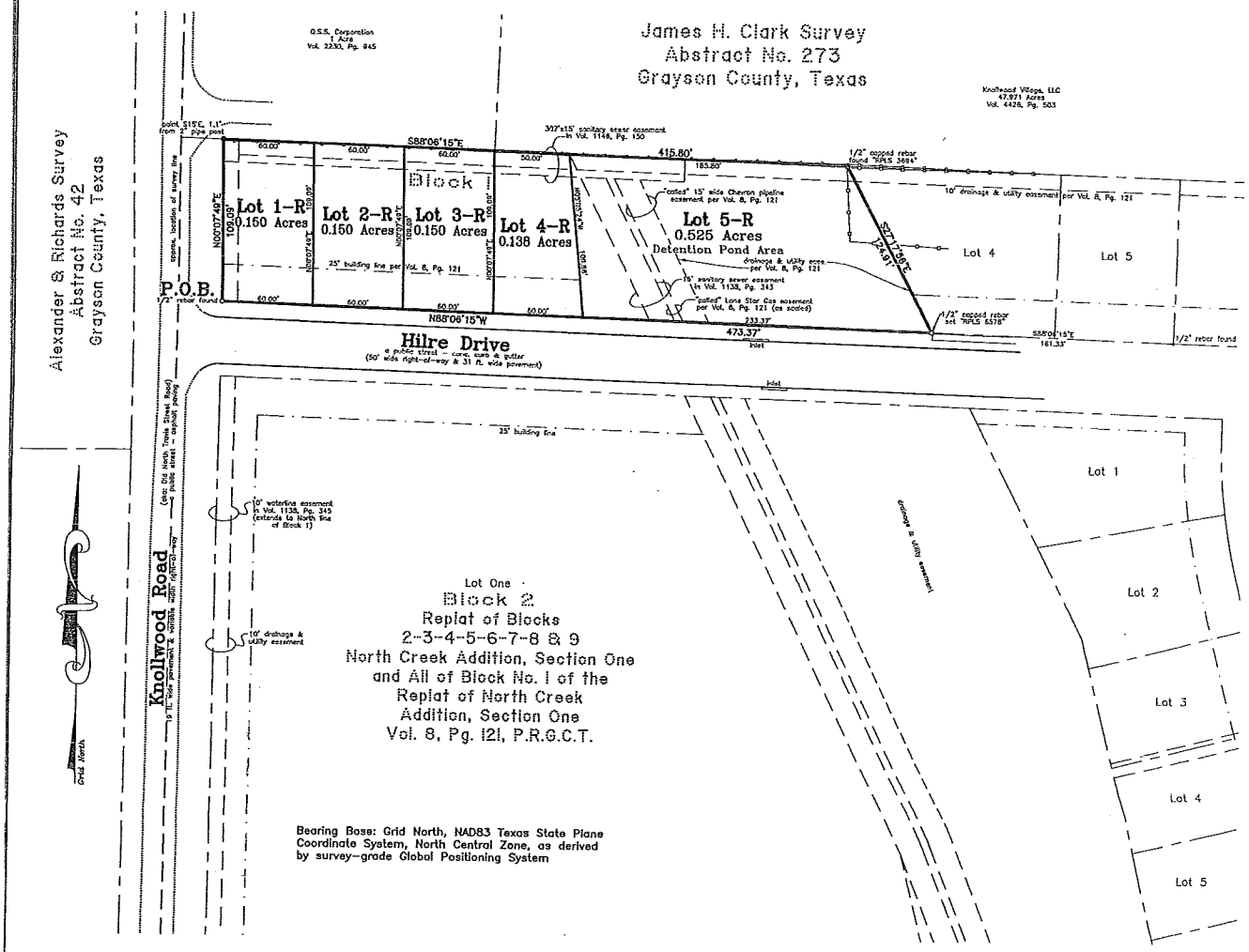
NOT TO SCALE

1 in = 200 ft

City of Sherman, Texas
Developmental Services Department

200 Block Hilre Drive

4900 Block Knollwood Road



Replat of Lots 1, 2 & 3, Block 1, 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 to the City of Sherman, Texas

1.113 Acres

in the

James H. Clark Survey Abstract No. 273

Job No. CGS390118

Young Enterprises, LP
Owner

GRAPHIC SCALE

50 0 25 50 100 200

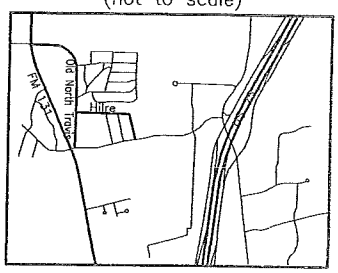
(IN FEET)
1 inch = 50 ft.

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. 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.
10. Proposed land use of lots are residential.

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

Location Map
(not to scale)



D:\Land Projects 2005\North-Creek-Addition\dwg\Replat-Lots-1-2-3-Block-1.dwg 1/23/2018 7:58:49 PM CST

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

Young Enterprises, LP
5414 FM 1417
Sherman, TX 75092

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

Dear Applicants,

The request for approval of the Replat of Lots 1, 2, & 3, Block 1, Replat of Blocks 2-3-4-5-6-7-8 & 9, North Creek Addition, Section One, and all of Bloc No. 1 of the Replat of North Creek Addition, Section One has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. Remove building line.
5. Require 10' Utility Easement along street frontage.
6. Indicate type of easement along West side of Lot 1-R.
7. All requirements of the Floodplain Ordinance must be followed.
8. The width of the right-of-way and pavement for streets shall be shown on the plat.
9. Show existing lot lines and lot numbers.
10. Metes and bounds must match drawing.
11. Privately owned and maintained detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
12. 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.
13. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 18.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

*** 200 BLOCK HILRE DRIVE & 4900 BLOCK KNOLLWOOD ROAD**

The request of Young Enterprises LP (Owners) and Helvey-Wagner Surveying, Inc. (Surveyor) concerning the property located in the 200 Block of Hilre Drive and the 4900 Block of Knollwood Road, being a part of the James H. Clark Survey, Abstract No. 273 and being a Replat of Lots 1, 2 & 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One, as follows:

Planning and Zoning Commission

Replat approval of Lots 1, 2 & 3, Block 1, Replat of Blocks 2-9, North Creek Addition, Section One and all of Block No. 1 of the Replat of North Creek Addition, Section One.

Background:

The property is located in the 200 block of Hilre Drive and the 4900 block of Knollwood Road; the northeast corner of Hilre Drive and Knollwood Road. The property is is zoned a C-1 (Retail Business) District and the owners are requesting a zone change to an SF-1 (Single Family Residential) District and to Replat the property into five lots for residential development; one lot being a detention pond area.

Adjacent Zoning:

R-1 (One Family Residential) District
SF-1 (Single Family Residential) District
C-1 (Retail Business) District

Origination:

Young Enterprises LP (Owners)
Helvey-Wagner Surveying, Inc. (Surveyor)

Master Plan Designation:

Auto-Urban Single Family Residential – This character type is the single-family residential category with the greatest density and the shortest building setbacks. Most driveways will face the street as well as the garage. Sidewalks are available for pedestrians. Less lot area is devoted to open space and greenery.

Number of notices mailed:

54

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E.13.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Replat Approval of Pond Meadows, being a Replat of Lots 40, 41, 42 and part of Lot 43 of Highland Meadows Estates Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being a part of the Winfred Bailey Survey, Abstract No. 64 and being all of Lots 40, 41 and 42 and part of Lot 43 of Highland Meadows Estates Addition, containing 8.260 acres; Bonnie Giglio, Owner; and Underwood Drafting and Surveying, Surveyor (1000 block of Ridgeview Drive)

Issue:

To consider Replat approval of Pond Meadows, being a Replat of Lots 40, 41, 42 and part of Lot 43 of Highland Meadows Estates Addition in the City of Sherman's ETJ, being a part of the Winfred Bailey Survey, Abstract No. 64 and being all of Lots 40, 41 and 42 and part of Lot 43 of Highland Meadows Estates Addition, containing 8.260 acres, located in the 1000 block of Ridgeview Drive

Background:

The property is located in the 1000 block of Ridgeview Drive in the City of Sherman's ETJ. The owner would like to replat the property into six lots for residential development.

Origination:

Bonnie Giglio (Owner/Developer)
Underwood Drafting & Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

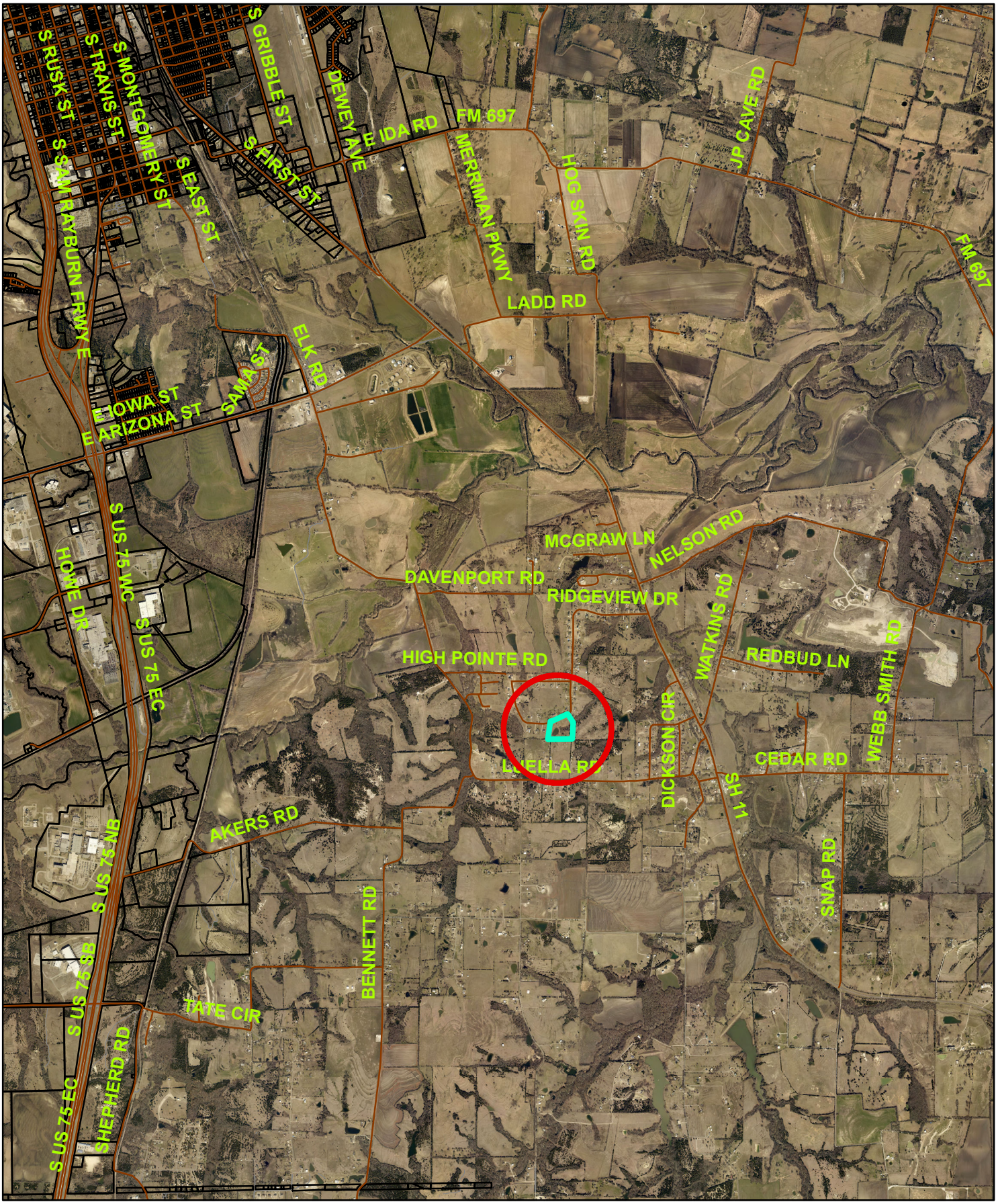
At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter
P&Z Communication



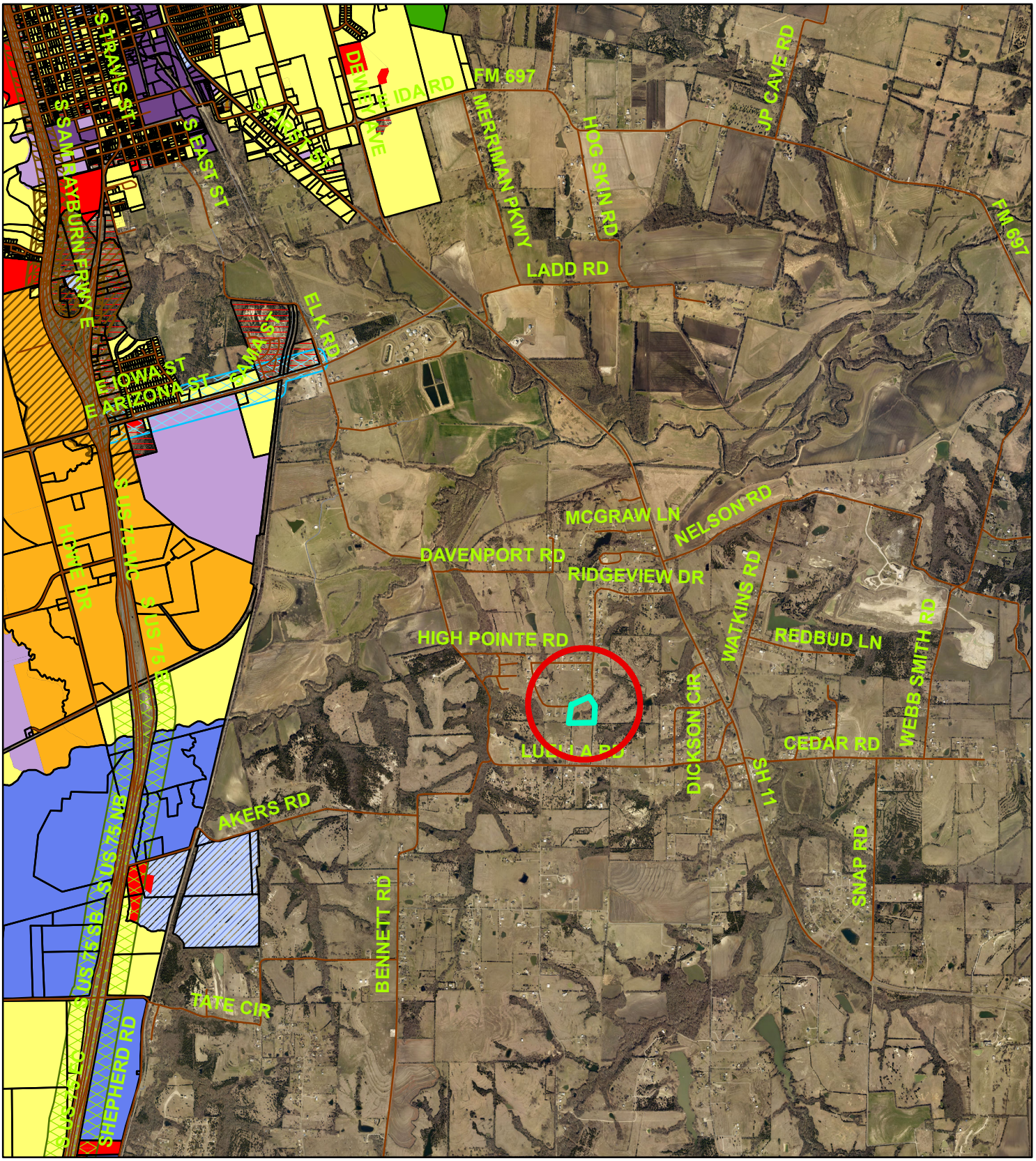
Sherman
CLASSIC TOWN. BROAD HORIZON.

1000 Block Ridgeview Drive (ETJ)

NOT TO SCALE

1 in = 3,605 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 1000 Block Ridgeview Drive

Sherman
CLASSIC TOWN. BROAD HORIZON.

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Bialock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Bialock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

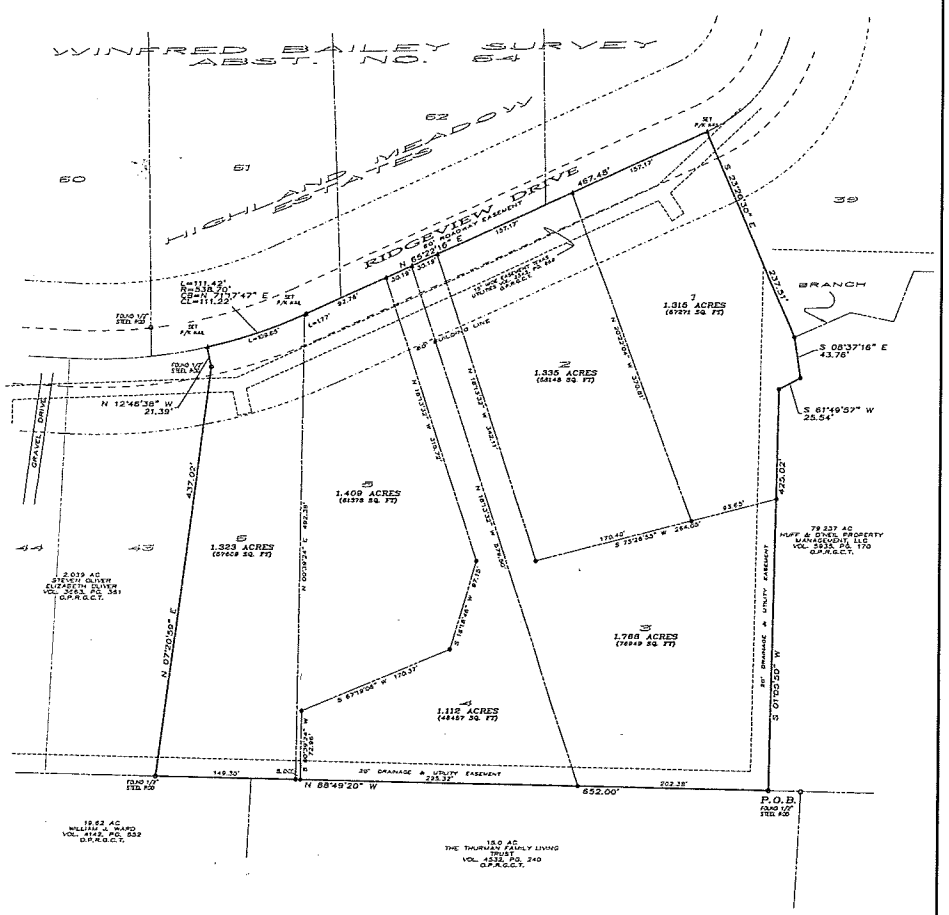
NOT TO SCALE

1 in = 3,605 ft

City of Sherman, Texas
Developmental Services Department

1000 Block Ridgeview Drive

JOB NO. 17110951
F:\RR - DFT.DC



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

FINAL PLAT OF
POND MEADOWS

BEING A REPLAT OF LOTS 40, 41, 42 AND PART OF LOT 43 OF
HIGHLAND MEADOWS ESTATES ADDITIION
BEING A TOTAL OF 8.260 ACRES IN THE
WINFRED BAILEY SURVEY, ABSTRACT NO. 64
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
1-15-18

GRAPHIC SCALE
(IN FEET)
1 inch = 60 ft.

OWNERS/DEVELOPER	SURVEYOR
BONNIE CIGLIO	DOUGLAS W. UNDERWOOD
89 Central ST., Unit 1	R.P.L.S. NO. 4709
Stoneham, MA 02180	3404 INTERURBAN ROAD
	DENISON, TEXAS

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

SHEET 1 OF 2

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, being a part of the Winfred Bailey Survey, Abstract No. 64, and being all of Lots 40, 41 & 42 and part of Lot 43 of Highland Meadows Estates Addition an addition to the City of Luella, Grayson County, Texas, as shown by plat of record in Volume 7, Page 11, Plat Records, Grayson County, Texas and being the same tract of land conveyed to Jamie Hill (Olmsted) by deed of record in Volume 3652, Page 776, 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 maintaining the southwest corner of a 79.237 acre tract of land conveyed to Huff & O'Neil Property Management, LLC by deed of record in Volume 5935, Page 170 of said Official Public Records said rod also being in the north line of a 13.0 acre tract of land conveyed to The Thurman Family Living Trust by deed of record in Volume 4532, Page 240 of said Official Public Records, said rod also maintaining the southeast corner of said Lot 41;

Thence North 88°49'20" West, along the north line of said 13.0 acre tract and the south line of said Lots 41, 42 & 43, a distance of 652.00 feet to a 1/2" steel rod found maintaining the southwest corner of a 2.039 acre tract of land conveyed to Steven Oliver and Elizabeth Oliver by deed of record in Volume 3663, Page 361, of said Official Public Records;

Thence North 07°20'59" East, along the east line of said 2.039 acre tract over and across said Lot 43, a distance of 437.02 feet to a 1/2" steel rod found in the west line of said Lot 42 maintaining an angle point in the east line of said 2.039 acre tract;

Thence North 12°46'38" West, continuing along the east line of said 2.039 acre tract and west line of said Lot 42, a distance of 21.39 feet to a P/K nail set in the center of Ridgeview Drive for the northwest corner of said Lot 42;

Thence with a non-tangent curve to the left having a radius of 538.70 feet, (chord bears North 71°17'47" East, with a chord length of 111.22 feet) an arc length of 111.42 feet to a P/K nail set;

Thence North 65°22'16" East, continuing along the north line of Lots 42, 41 & 40, a distance of 467.48 feet to a P/K nail set for the northeast corner of said Lot 40;

Thence along the west line of said Lot 40 the following calls and distances:
South 23°26'30" East, a distance of 237.51 feet to a point;
South 08°37'16" East, a distance of 43.76 feet to a point;
South 61°49'57" West, a distance of 25.54 feet to a point;
South 01°05'50" West, a distance of 425.02 feet to the Point of Beginning and containing 8.260 acres of land.

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, 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.

Douglas W. Underwood
Registered Professional
Land Surveyor, No. 4709

Date

~ 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 Grayson Electrical Delivery.
4. Filling or excavation within construction of improvements in drainage easements, and filling or excavation in floodway is prohibited.
5. Any existing drains or drainage channels traversing along or across the addition are 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 shall not be responsible for the maintenance and operation of said drainage channels in order to convey the drainage of surface waters.
7. Neither the City of Sherman nor the undersigned hereinafter shall be responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owner and subdivider must comply with all other local, state and federal regulations pertaining to the platting of this property.
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 Plot based on proposed use of each lot.
11. As shown, a portion of the subject property lies within the limits of an area defined as flood prone/determined to be outside a Zone hatched area, according to the Federal Emergency Management Agency Flood Insurance Rate Map for Grayson County, Texas and incorporated areas, map no. 48181C0415 F, revised 9/29/2010 and map 48181C0425 F revised 9/29/2010.
12. Restrictions are filed with County Clerk.

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT I, BONNIE CIGLIO, do hereby adopt this plat designating the hereinabove property as the Final Plat of POND MEADOWS, an addition to the City of Sherman, and do hereby dedicate to the public use forever the streets of all public and private utilities desiring to use or using same. Any public or private utility shall have the right to remove and keep removed all or part of any buildings, fences, trees, shrubs or other improvements or growths which in anyway endanger or interfere with the construction, maintenance, or efficiency of its respective systems on any of these easements strips and any public or private utility shall, at all times, have 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 _____, 2018.

BONNIE CIGLIO

STATE OF _____
COUNTY OF _____

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared BONNIE CIGLIO 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 _____, 2018.

Notary Public in and for
the State of _____

ACCEPTANCE

Approved this _____ day of _____, 2018, by the City Planning Commission to the City of Sherman, Texas.

Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman

Mayor, City of Sherman, Texas Date

CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing, Final Plat of POND MEADOWS, an addition to the City of Sherman, Texas, was submitted to the City Council on the ____ day of _____, 2018, 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 _____, 2018.

Clerk, City of Sherman, Texas

FINAL PLAT OF
POND MEADOWS

BEING A REPLAT OF LOTS 40, 41, 42 AND PART OF LOT 43 OF
HIGHLAND MEADOWS ESTATES ADDITIION
BEING A TOTAL OF 8.260 ACRES IN THE
WINFRED BAILEY SURVEY, ABSTRACT NO. 64
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS
1-15-18

OWNERS/DEVELOPER	SURVEYOR
BONNIE CIGLIO	DOUGLAS W. UNDERWOOD
89 Central ST., Unit 1	R.P.L.S. NO. 4709
Stoneham, MA 02180	3404 INTERURBAN ROAD
	DENISON, TEXAS

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

SHEET 2 OF 2

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

Bonnie Giglio
89 Central St., Unit 1
Stoneham, MA 02180

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Pond Meadows has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from City of Sherman Engineering Department.
4. The width of the right-of-way and pavement for streets shall be shown on the plat.
5. Remove building line from plat.
6. Show existing lot lines and lot numbers on plat.
7. Require 10' Utility Easement on lot line between lots 3 & 4; 5-feet on each lot.
8. Change General Notes to reflect water service being provided by Luella Special Utility District and sewer being provided by private on-site sewage facilities.
9. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
10. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
11. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint Philpott

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 16.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

* **1000 BLOCK RIDGEVIEW DRIVE (ETJ)**

The request of Bonnie Giglio (Owners/Developer) and Underwood Drafting & Surveying (Surveyor) concerning the property located in the 1000 Block of Ridgeview Drive in the City of Sherman's extra territorial jurisdiction, being a part of the Winfred Bailey Survey, Abstract No. 64 and being all of Lots 40, 41 & 42 and part of Lot 43 of Highland Meadows Estates Addition, containing 8.260 acres, as follows:

Planning and Zoning Commission

Replat approval of Pond Meadows, being a Replat of Lots 40, 41, 42 and part of Lot 43 of Highland Meadows Estates Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ)

Background:

The property is located in the 1000 block of Ridgeview Drive in the City of Sherman's Extra Territorial Jurisdiction. The owner would like to replat the property into six lots for residential development.

Adjacent Zoning:

Outside City Limits

Origination:

Bonnie Giglio (Owners/Developer)
Underwood Drafting & Surveying (Surveyor)

Master Plan Designation:

Was not included in Master Plan

Number of notices mailed:
31

Objections Received:
0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Replat
Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E.14.**

Meeting Date: 03/19/2018

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Final Plat Approval of Wise Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ), being 1.108 acres in the William H. Pulliam Addition, Abstract No. 958; Danny Joe Tollison, Owner; Kenneth and Mary Wise, Applicant/Developer; and Underwood Drafting and Surveying, Surveyor (4400 block of Leslie Lane)

Issue:

To consider Final Plat approval of Wise Addition in the City of Sherman's ETJ, being 1.108 acres in the William H. Pulliam, Abstract No. 958, located in the 4400 block of Leslie Lane

Background:

The property is located in the 4400 block of Leslie Lane in the City of Sherman's ETJ. The owner would like to replat the property into one lot for residential development.

Origination:

Danny Joe Tollison (Owner)
Kenneth and Mary Wise (Applicant/Developer)
Underwood Drafting & Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 20, 2018 regular meeting, the Planning & Zoning Board voted unanimously to recommend to the City Council that the Final Plat be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Location Map
Zoning Map
Final Plat
Staff Review Letter
P&Z Communication

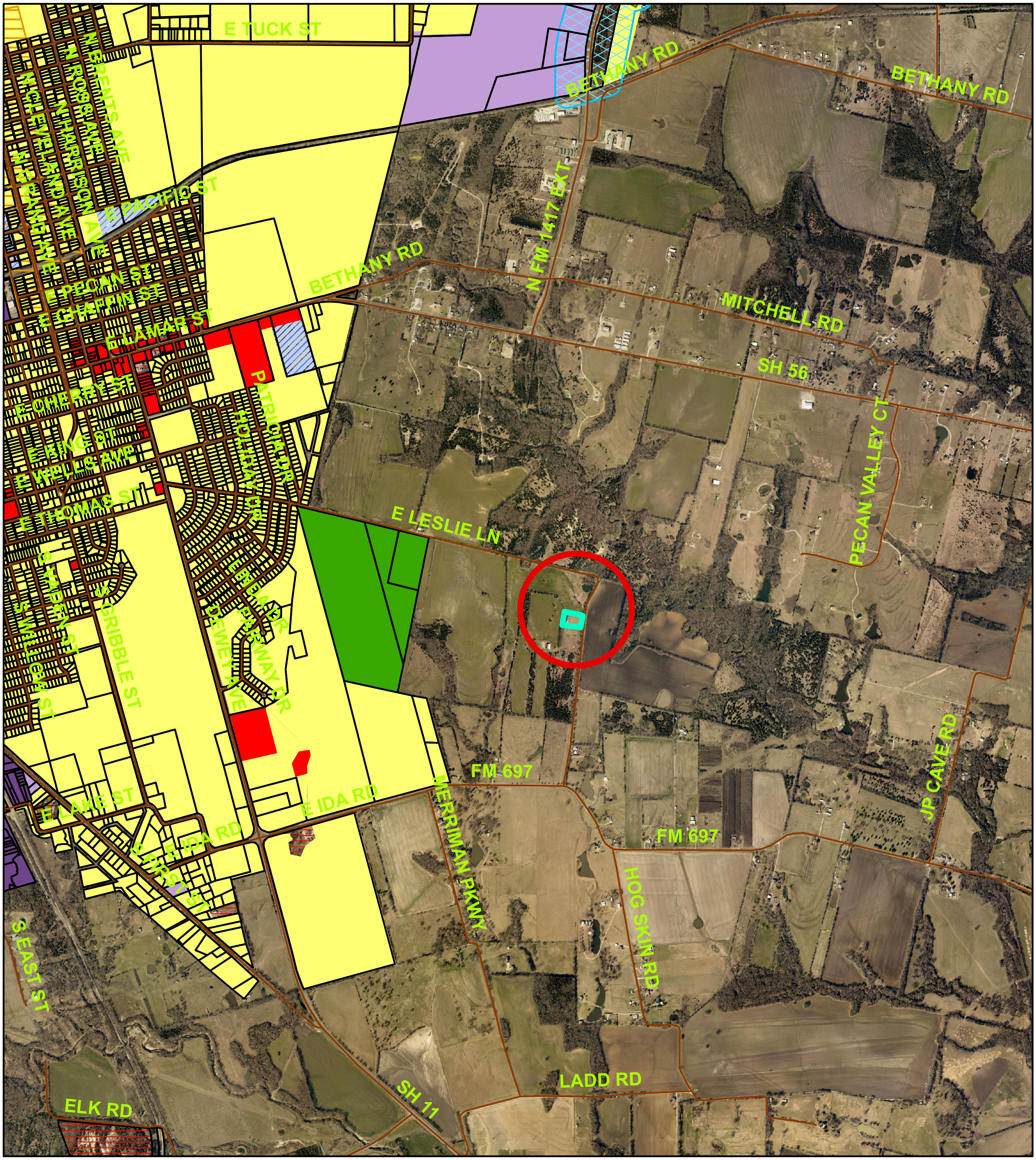
Sherman
CLASSIC TOWN. BROAD HORIZON.

4400 Block Leslie Lane

NOT TO SCALE

1 in = 2,000 ft

City of Sherman, Texas
Developmental Services Department



Zoning - 4400 Block Leslie Lane

Legend

Special Districts Overlay
DISTRICT_NAME
- Arts and Cultural District
- Blalock Commercial Overlay District
- Central Business District
- College Park District
- Downtown Overlay District
- Historic Preservation District

Transportation Corridor
Representation: ShermGIS.DBO.TransportationCorridor_Rep
- FM 1417
- Sam Rayburn Freeway
- US Hwy 82 and 75
- SH 289
- FM 691

Zoning Districts
Representation: ShermGIS.DBO.ZoningDistrict_Rep
- Unknown
- BIP Blalock Industrial Park
- C-1 Retail Business District
- C-2 General Commercial District
- CO Office District
- Lakes
- M-1 Light Manufacturing District
- M-1.5 Medium Manufacturing District
- M-2 Heavy Manufacturing District
- MH Manufacturing Housing Distgrict
- R-1 One Family Residential District
- R-2 Multi-Family Residential District
- R-A Single Family Agricultural District
- SF-1 Single Family Residential District

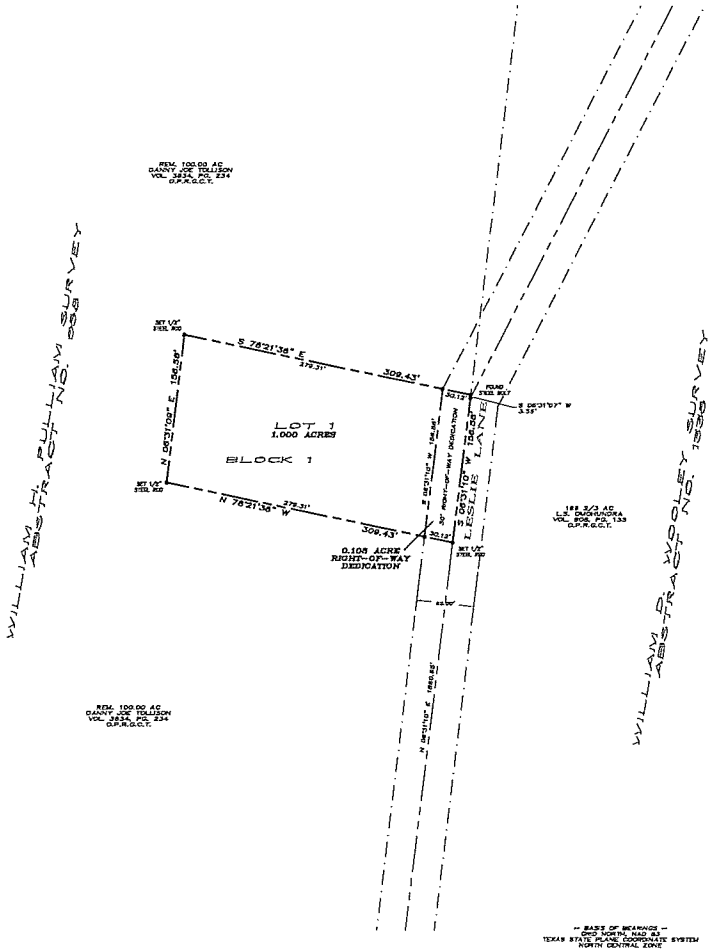
NOT TO SCALE

1 in = 2,253 ft

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

JOB NO. 17110978



FINAL PLAT

WISE ADDITION

BEING 1.108 ACRES IN THE
WILLIAM H. PULLIAM, ABSTRACT NO. 958
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

1-9-18

GRAPHIC SCALE

(IN FEET)
1 inch = 100 ft.

OWNERS/DEVELOPER
DANNY JOE TOLLISON
4105 LESLIE LANE
SHERMAN, TEXAS 75090

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

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

JOB NO. 17110978

LEGAL DESCRIPTION

Situated in the County of Grayson, State of Texas, City of Sherman being a part of the William H. Pulliam Survey, Abstract No. 958, and being a part of the 100.00 acre tract of land conveyed to Danny Joe Tollison by deed of record in Volume 3834, Page 234, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows:

Commencing at a 1/2" steel rod found in the center of Leslie Lane monitoring the southeast corner of said 100.00 acre tract;

Thence North 08°31'10" East, along the center of said Leslie Lane and east line of said 100.00 acre tract, a distance of 1860.95 feet to a 1/2" steel rod set for the True Point-of-Beginning;

Thence North 78°21'38" West, over and across said 100.00 acre tract with a fence passing a 1/2" steel rod set at a distance of 30.12 feet and continuing along a fence for a total distance of 309.43 feet to a metal fence corner post;

Thence North 08°31'09" East, continuing over and across said 100.00 acre tract, a distance of 156.59 feet to a 1/2" steel rod set;

Thence South 78°21'38" East, continuing over and across said 100.00 acre tract passing a 1/2" steel rod set at a distance of 279.31 feet and continuing for a total distance of 309.43 feet to a 1/2" steel rod set in the center of Leslie Lane also being the east line of said 100.00 acre tract;

Thence South 08°31'10" West, along the center of Leslie Lane and east line of said 100.00 acre tract passing a steel bolt found at a distance of 3.55 feet and continuing for a total distance of 156.59 feet to the Point-of-Beginning and containing 1.108 acres (48,255 square feet) of land.

SURVEYOR'S CERTIFICATION

KNOWN ALL MEN BY THESE PRESENTS:

That I, Douglas W. Underwood, 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.

Douglas W. Underwood *Date*
Registered Professional
Land Surveyor, No. 4709

-- GENERAL NOTES --

1. Water Supply to be provided by Pilot Hill.
2. Sewer service at a minimum to be provided by individual on-site sewage treatment systems (OSSF), permitted and approved by Grayson County. OSSF evaluations, reports and permits are the responsibility of the property owner. It is the property owner's the authority to that when based on user and type of development, the City of Sherman reserves the right to require connection to the City's system by sewer extension or main extension based on user and availability.
3. Electrical service is provided by Grayson Electrical Delivery.
4. Fencing, landscaping, or other 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 owner 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 any damage to private property or persons.
7. Neither the City of Sherman nor the undersigned owners are responsible for any damage, personal injury, or loss of life or property occasioned by flooding or flooding conditions.
8. The owner and builders must comply with all other local, state and federal regulations and requirements of the City.
9. Elevations are based on the City of Sherman Control Monument Network.
10. The City of Sherman reserves the right to require submission of Development Plot based on proposed use of each lot.
11. As shown, a portion of the subject property lies within the limits of an area defined as Zone "AE" determined to be in a flood hazard area, according to the Federal Emergency Management Agency Flood Insurance Rate Map for Grayson County, Texas and Incorporated Areas, Map No. 48181C0293 F, revised 9/29/2010.

OWNERS DEDICATION

NOW THEREFORE KNOWN ALL MEN BY THESE PRESENTS:

THAT I, DANNY JOE TOLLISON, do hereby adopt this plat designating the hereinbove property as the Final Plat of WISE 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 of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance or efficiency of its respective systems in said easements strips and any public or private utility shall at all times have the full 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 _____,2018.

DANNY JOE TOLLISON

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 DANNY JOE TOLLISON 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_____, 2018.

Notary Public in and for
the State of Texas

ACCEPTANCE

Approved this _____ day of _____,2018, by the City Planning Commission to the City of Sherman, Texas.

Chairman Secretary

CERTIFICATE OF ACCEPTANCE OF DEDICATION

Accepted by the City Council of the City of Sherman

Mayor, City of Sherman, Texas *Date*

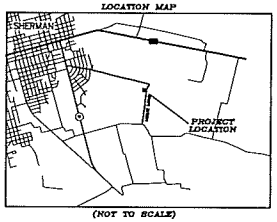
CERTIFICATE OF COMPLIANCE

The Undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing Final Plat of WISE ADDITION, an addition to the City of Sherman, Texas, was submitted to the City Council on the____day of _____ 2018, 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 _____,2018.

Clerk, City of Sherman, Texas

LOCATION MAP



(NOT TO SCALE)

FINAL PLAT

WISE ADDITION

BEING 1.108 ACRES IN THE
WILLIAM H. PULLIAM, ABSTRACT NO. 958
AN ADDITION TO THE CITY OF SHERMAN
GRAYSON COUNTY, TEXAS

1-9-18

OWNERS/DEVELOPER
DANNY JOE TOLLISON
4105 LESLIE LANE
SHERMAN, TEXAS 75090

SURVEYOR
DOUGLAS W. UNDERWOOD
R.P.L.S. NO. 4709
3404 INTERURBAN ROAD
DENISON, TEXAS

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

Sherman
CLASSIC TOWN. BROAD HORIZON.

STAFF REVIEW LETTER

February 13, 2018

Danny Joe Tollison
4105 Leslie Lane
Sherman, TX 75090

Underwood Drafting & Surveying
3404 Interurban Road
Denison, TX 75021

Dear Applicants,

The request for approval of the Final Plat of Wise Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 20, 2018 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. Show Point of Beginning on Plat.
5. Show other Steel Rod Found noted in metes and bounds for basis.
6. Dedicate 10' Utility Easement along Leslie Lane.
7. The width of the right-of-way and pavement for streets shall be shown on the plat.
8. Metes and bounds must match drawing.
9. Detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
10. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
11. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

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

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,

Clint Philpott

Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Danny Fuller, Fire Marshal
Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Steve Ayers, Asst. City Manager

Planning & Zoning Commission and Board of Adjustments

Agenda Item No. 17.

Meeting Date: 02/20/2018

Prepared by: Patsy Reeves, Developmental Services Admin Secretary
Scott Shadden, Director of Development Services

Clay Mahone, Chairman
Eric Elliott, Vice Chairman
Joe Gilbert, Commissioner
Shawn Davis, Commissioner
Jeff Adams, Commissioner
David Downtain, Commissioner
Trish Bridges, Commissioner

Requested Action/Proposed Use:

* **4400 BLOCK LESLIE LANE (ETJ)**

The request of Danny Joe Tollison (Owner), Kenneth & Mary Wise (Applicant/Developer) and Underwood Drafting & Surveying (Surveyor) concerning the property located in the 4400 Block of Leslie Lane in the City of Sherman's extra territorial jurisdiction, being 1.108 acres in the William H. Pulliam, Abstract No. 958, as follows:

Planning and Zoning Commission

Final Plat approval of Wise Addition in the City of Sherman's Extra Territorial Jurisdiction (ETJ)

Background:

The property is located in the 4400 block of Leslie Lane, east of Sherman in the City of Sherman's Extra Territorial Jurisdiction (ETJ). The owner would like to plat the property into one lot for residential development.

Adjacent Zoning:

Outside City Limits

Origination:

Danny Joe Tollison (Owner)
Kenneth & Mary Wise (Applicant/Developer)
Underwood Drafting & Surveying (Surveyor)

Master Plan Designation:

Was not included in Master Plan

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Final Plat

Staff Review Letter

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **H.1.**

Meeting Date: 03/19/2018

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

(a) Main Street Advisory Board (3)

Issue:

The terms of Sarah Campbell Stevens, Verna Gilbert-Morneau, and Robin Phillips on the Main Street Advisory Board expire on March 31, 2018. All are eligible for reappointment, however Ms. Phillips does not wish to serve another term. Nancy Sims, Diana Salas, and Shannon Gladen have submitted applications to serve on the Board.

Background:

The City Council created the Main Street Advisory Board by Resolution No. 6063, approved on March 7, 2016. The purpose of the Board is to encourage participation in the Main Street Downtown Revitalization Program, to establish and evaluate goals and priorities for the Main Street Program, to review design appropriateness for the purpose of participation in the Main Street Low Interest Loan Program and Incentive Grant Projects, to design and coordinate activities coinciding with the Main Street Program, to assist with the Main Street Program Annual Report, and to advise and support the Main Street Manager to further the goals and priorities of the Main Street Program.

Origination:

The appointments originated with the Tourism Department.

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

It is the staff's recommendation that the City Council reappoint Sarah Campbell Stevens and Verna Gilbert-Morneau and appoint Nancy Sims to the Main Street Advisory Board.

Alternatives:

The alternative is to delay appointments to the Board.

Attachments

Roster
Fact Sheet
Appliccant List
Sarah Campbell Stevens Reappointment Letter
Verna Gilbert-Morneau Reappointment Letter
Robin Phillips Reappointment Letter
Nancy Sims Application
Diana Salas Application
Shannon Gladen Application

MEMBERSHIP ROSTER

MAIN STREET ADVISORY BOARD

LENGTH OF TERMS: 2 Years
Consecutive Term Limit 3 Terms

MEMBER	DISTRICT	TERM BEGINS	TERM EXPIRES	TERMS	MEMBERSHIP REQUIREMENTS
Sherry Little	n/a	3/22/2016 R 3/31/2017	3/31/2017 3/31/2019	1 2	
Sarah Campbell Stevens	1	U 12/5/2017	3/31/2018	0	
Amanda Phillips	1	U 12/5/2017	3/31/2019	1	
Verna Gilbert-Morneau	4	3/22/2016	3/31/2018	1	
David Gunn	n/a	3/31/2017	3/31/2019	1	
Robin Phillips	4	3/22/2016	3/31/2018	1	
Ex-Officio Members					
Daron Holland					Council Member
Karen Tooley					DSP&R President

Ex-Officio Members: City Council Member
Downtown Sherman Preservation & Revitalization President

Chair:
Vice Chair:

CITY STAFF:
Revised 12/5/2017

FACT SHEET

MAIN STREET ADVISORY BOARD

Established by RESOLUTION 6063 – MARCH 7, 2016

1. **Number of Members: SIX**
2. **Term of Appointment: 2 YEARS**
3. **Consecutive Term Rule: THREE TERMS – ORDINANCE 4223 (10/21/91)**
4. **Qualifications for Membership: PRESERVE AND GROW DOWNTOWN AS A BUSINESS CENTER FOR SHERMAN**
5.
6. **Appointed by: MAYOR AND CITY COUNCIL**
7. **Board Organization**

CHAIRPERSON _E_ VICE CHAIRPERSON ____ SECRETARY _E_____

ELECTED _E_ APPOINTED ___

8. **Departmental Responsibility: DIRECTOR OF COMMUNITY AND SUPPORT SERVICES**
9. **Meeting Date: NO RULE – AS SET BY BOARD BY-LAWS**
10. **Attendance Requirements: NO RULE – AS SET BY BOARD BY-LAWS**

==========

Ex-Officio Members:
City Council Member
Downtown Sherman Preservation & Revitalization President

PURPOSE:

- Encourage participation in the Sherman Main Street Downtown Revitalization Program
- Establish and evaluate goals and priorities for the Main Street Program
- Review design appropriateness for the purpose of participation in the Main Street Low Interest Loan Program and Incentive Grant Projects
- Design and coordinate activities coinciding with the Main Street Program
- Assist with the Main Street Program Annual Report
- Advise and support the Main Street Manager to further the goals and priorities of the Main Street Program.

RESPONSIBILITIES:

Said Board shall work with the Main Street Manager and other City officials to publicize the Main Street Program and shall recommend projects and activities to include marketing, advertising, promotion, design, organization, economic restructuring as related to the Main Street Program. The Board will also review any commercial construction or reconstruction plans proposed within the Main Street Program Target Area.

APPLICANT LIST

Main Street Advisory Board **Positions Vacant 3**

Applicant	Address	District	Qualifications
Sarah Campbell Stevens	1712 W. McGee	1	Current Member – Wishes to be Reappointed
Verna Gilbert-Morneau		4	Current Member – Wishes to be Reappointed
Nancy Sims	2509 W. Cascade	4	Texoma Neon
Diana Salas	1214 W. Hull, Denison	n/a	Farmers Insurance
Shannon Gladen	4601 Liberty Hill Trail	1	Keller Williams Real Estate

COMMENTS:

Sherman
CLASSIC TOWN. BROAD HORIZON.

City Clerk's Office

PUBLIC RECORDS DEPARTMENT
Phone No. (903) 892-7204
Fax No. (903) 892-7394

February 6, 2018

RECEIVED
FEB 2018
In the
CITY CLERK'S
OFFICE

Sarah Campbell Stevens
1712 W. McGee
Sherman, Texas 75092

RE: Main Street Advisory Board

Dear Ms. Stevens:

Your term on the Main Street Advisory Board expires on March 31, 2018. You are eligible for reappointment to the Board. Please let me know whether or not you are interested in reappointment to this board by checking the appropriate statement at the bottom of this letter and returning a copy to me at the address below. If you have any questions or need additional information, please don't hesitate to contact me.

Best regards,

Linda Ashby

Linda Ashby
City Clerk

cc: Nate Strauch, Community & Support Services Manager
Sarah McRae, Tourism/Main Street Manager

✓ I do wish to be considered for reappointment to this board

_____ I do not wish to be considered for reappointment to this board

Sarah C. Stevens
Signature

2/8/2018
Date

Please return to: City of Sherman
City Clerk's Office
P.O. Box 1106
Sherman, Texas 75091-1106

Sherman
CLASSIC TOWN. BROAD HORIZON.

City Clerk's Office

PUBLIC RECORDS DEPARTMENT
Phone No. (903) 892-7204
Fax No. (903) 892-7394

RECEIVED
FEB 2018
In the
CITY CLERK'S
OFFICE

February 6, 2018

Verna Gilbert-Morneau
202 Arapaho West
Sherman, Texas 75092

RE: Main Street Advisory Board

Dear Ms. Gilbert-Morneau:

Your term on the Main Street Advisory Board expires on March 31, 2018. You are eligible for reappointment to the Board. Please let me know whether or not you are interested in reappointment to this board by checking the appropriate statement at the bottom of this letter and returning a copy to me at the address below. If you have any questions or need additional information, please don't hesitate to contact me.

Best regards,

Linda Ashby

Linda Ashby
City Clerk

cc: Nate Strauch, Community & Support Services Manager
Sarah McRae, Tourism/Main Street Manager

✓ I do wish to be considered for reappointment to this board

_____ I do not wish to be considered for reappointment to this board

Verna Morneau
Signature

2/14/18
Date

Please return to: City of Sherman
City Clerk's Office
P.O. Box 1106
Sherman, Texas 75091-1106

Sherman
CLASSIC TOWN. BROAD HORIZON.

City Clerk's Office

PUBLIC RECORDS DEPARTMENT
Phone No. (903) 892-7204
Fax No. (903) 892-7394

RECEIVED FEB 2018 In the CITY CLERK'S OFFICE

February 6, 2018

Robin Phillips
1126 S. Crockett
Sherman, Texas 75090

RE: Main Street Advisory Board

Dear Ms. Phillips:

Your term on the Main Street Advisory Board expires on March 31, 2018. You are eligible for reappointment to the Board. Please let me know whether or not you are interested in reappointment to this board by checking the appropriate statement at the bottom of this letter and returning a copy to me at the address below. If you have any questions or need additional information, please don't hesitate to contact me.

Best regards,

Linda Ashby

Linda Ashby
City Clerk

cc: Nate Strauch, Community & Support Services Manager
Sarah McRae, Tourism/Main Street Manager

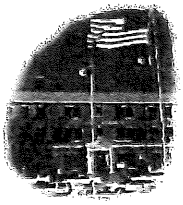
_____ I do wish to be considered for reappointment to this board

X I do not wish to be considered for reappointment to this board

Signature

2/12/18
Date

Please return to: City of Sherman
City Clerk's Office
P.O. Box 1106
Sherman, Texas 75091-1106



CITY OF SHERMAN
APPLICATION FOR BOARD OR COMMISSION MEMBERSHIP

RECEIVED
JAN 22 2018
In The
CITY CLERK'S OFFICE

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

Please type or use black ink
Please complete one application for each board or commission membership
Please limit attachments to two pages
For questions or additional information, call the City Clerk's Office, (903) 892-7206

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

Name of Board or Commission: Main Street

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

Personal Information	Occupational Information
Home Address: 2509 W. Cascade Dr	Business Name: Texoma Neon
Mailing Address:	Occupation: graphic artist
Telephone: 903-819-5206 Fax:	Address: 214 E Houston
E-Mail: spillersims@hotmail.com	Telephone: 903.893.2044 Fax:
Sherman Resident for 50+ years County: Grayson	E-Mail: texomaneon@hotmail.com
Drivers License No.: 07043719	
Voter Registration No.: 1024912837 ✓	

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

Prior work experience: *(please include dates)*

Educational Achievement:

High School Graduate? ☐ Yes ☐ No Year Graduated/Left School?
Business College, Correspondence School, Adult Education, Other?
Name of College/University: University of Texas ☑ Bachelor's ☐ Master's ☐ PhD
BFA in Fine Arts BA in art education

Volunteer Work: *(please include dates)*
Main Street Board (90s) 12 yrs on PTA, 20 yrs on Arts Fest, Sherman Education Foundation, Sherman Ex Students Assn DSP&R & committee for Beck the Bond

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

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

Application held for 12 months from date received

Taxes - No

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

If so, which one? _____

Why do you want to become a member of this particular board or commission *(how would you use this experience to benefit the City)*?
I am familiar with this board. I would like to help apply more of the available MainStreet resources to our community.

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

1) I served on this board the first time Sherman was part of this program. I felt we never utilized the programs and assets of this state program to the maximum. Hopefully this time around will be more productive.

2) I have been encouraged with the recent positive changes in downtown. The events to encourage our citizens to participate are wonderful. I think now there needs to be a focus on business growth & stability.

3) It would be nice to enhance downtown with better lighting and parking. We also need to expand beyond the square for future plans and improvements.

List any abilities, skills, licenses, certificates, specialized training, or interests you have which are applicable to this board or commission:
I am the owner of Texoma Neon. This is our 68th year in downtown. I am a graphic artist. Mostly I am a diehard Shermanite wanting to help improve our community.

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

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

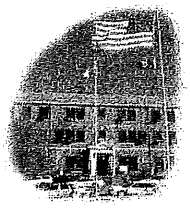
Statement of Intent

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

Signature: Nancy Sims *Date:* 1-18-18

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

Sherman
CLASSIC TOWN. BROAD HORIZON.



CITY OF SHERMAN
APPLICATION FOR BOARD OR COMMISSION MEMBERSHIP

RECEIVED FEB 2018 In the CITY CLERK'S OFFICE

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

Please type or use black ink
Please complete one application for each board or commission membership
Please limit attachments to two pages
For questions or additional information, call the City Clerk's Office, (903) 892-7206

Name: Diana Salas Diana Salas Agency - Farmers Insurance
(Please print legal name and your name as you wish it to appear, if different.)

Name of Board or Commission: Main Street board

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

Personal Information	Occupational Information
Home Address: 124 W. Hull St	Business Name: Diana Salas Agency - Farmers Ins
Mailing Address: 1401 S. Sam Rayburn Fwy 300	Occupation: Agent - Insurance
Telephone: 9037712323 Fax: 9037712773	Address: 1401 S. Sam Rayburn Fwy 300
E-Mail: diana salas agency@yahoo.com	Telephone: 9037712323 Fax: 9037712773
Sherman Resident for 17 years County: Grayson	E-Mail: diana salas agency@yahoo.com
Drivers License No.: 19943204	
Voter Registration No.:	

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

Prior work experience: *(please include dates)* Farmers Insurance - 2011 - Present
Sprinwalehouse - 2005 - 2011

Educational Achievement:

High School Graduate? ☒ Yes ☐ No Year Graduated/Left School? 2000
Business College, Correspondence School, Adult Education, Other?
Name of College/University: ☐ Bachelor's ☐ Master's ☐ PhD

Volunteer Work: *(please include dates)*
Hispanic Heritage Sept festival 2011 - 2017
SEF Run 2017 - Sherman Art fest 2016
SEF Circle of Success 2017 - United Way Run 2016

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

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

Application held for 12 months from date received

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

If so, which one? _____

Why do you want to become a member of this particular board or commission *(how would you use this experience to benefit the City)*?
pay it foward in helping out our community

Briefly explain what you believe are the three most important issues facing this board or commission and how you believe this board or commission should address each issue? at this moment in time there are no issues

1) _____

2) _____

3) _____

List any abilities, skills, licenses, certificates, specialized training, or interests you have which are applicable to this board or commission: Bilingual in Spanish - great in helping our community

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

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

Statement of Intent

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

Signature: _____ *Date:* 2/14/18

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

Sherman
CLASSIC TOWN. BROAD HORIZON.

CITY OF SHERMAN
APPLICATION FOR BOARD OR COMMISSION MEMBERSHIP

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

Please type or use black ink
Please complete one application for each board or commission membership
Please limit attachments to two pages
For questions or additional information, call the City Clerk's Office, (903) 892-7206

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

Name of Board or Commission: Sherman Main Street Board

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

Personal Information	Occupational Information
Home Address: 4601 Liberty Hill Trail	Business Name: Keller Williams
same Mailing Address: Sherman, TX 75092	Occupation: Real Estate Agent
Telephone: 903 821-9903 Fax:	Address: 1212 Preston Celina, TX
E-Mail: shannongladen@kw.com	Telephone: 972-382-8882 Fax:
Sherman Resident for 9 years County: 21	E-Mail: klrw768@kw.com
Drivers License No.: 06762879	
Voter Registration No.: 1181059958 ✓	

Which Council District do you live in? *(see attached map)* District 1 ✓

Prior work experience: *(please include dates)*
Owner of Chandeliers Boutique 2012-2017

Educational Achievement:

High School Graduate? ☑ Yes ☐ No Year Graduated/Left School? 1994
Business College, Correspondence School, Adult Education, Other?
Name of College/University: ☐ Bachelor's ☐ Master's ☐ PhD

Volunteer Work: *(please include dates)*
Provisional Member of Sherman Service League

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

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

Application held for 12 months from date received

Taxes - No

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

If so, which one? _____

Why do you want to become a member of this particular board or commission *(how would you use this experience to benefit the City)*?
Being a previous owner of a business in Sherman, I have met so many people who have an interest in helping Sherman grow. Being a Real Estate Agent currently, I have even more of a desire to be a part of that.

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

1) People not understanding what Main Street is about. - involvement

2) Growth of downtown Sherman - event planning, help from business owners with advertising events, especially on social media (it's free)

3) Reluctant Business owners - getting other business owners involved / testifying about their business

List any abilities, skills, licenses, certificates, specialized training, or interests you have which are applicable to this board or commission:
personable, hard working, real estate license, former boutique owner, mother, PTA member, Booster club for cheer @ SHS,

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

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

Statement of Intent

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

Signature: Shannon Shade *Date:* 2/15/18

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

Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting
Meeting Date: 03/19/2018
Prepared By: Pamela Cloer, Assistant to the City Manager
Approved By: Robby Hefton, City Manager

Caption:
COUNCIL CALENDAR

Attachments

2018 Council Calendar

2018

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

MARCH						
S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

APRIL						
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29	30					

MAY						
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27	28	29	30	31		

JUNE						
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JULY						
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AUGUST						
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SEPTEMBER						
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23	24	25	26	27	28	29
30						

OCTOBER						
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

NOVEMBER						
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

DECEMBER						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

1/1/2018	New Year's Day/Regular City Council Meeting on 01/02/2018
2/28/2018	Called Council Meeting - Training Session for Council Members
4/27/2018	Called Budget Planning Mtg in Council Chambers
06/14-15/2018	Called Budget Workshop in Council Chambers
9/3/2018	Labor Day/Regular City Council Meeting on 09/04/2018