

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, MARCH 16, 2015
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY MAYOR CAROLYN S. WACKER**
- A. 3. INVOCATION BY MAYOR CAROLYN S. WACKER**
- A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF MARCH 2, 2015**

Public Hearing

- B. 1. PUBLIC HEARING**
Conduct the Second Public Hearing Concerning the Annexation of 7.32 Acres of Land on West Lamberth Road, Adjoining the Old County Farm on the South Side, Adjacent to the Sherman City Limits, and in the City of Sherman's Extra Territorial Jurisdiction
- B. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5870**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District at 502 East Centennial Street, being 0.778 acres in the Samuel Blagg Survey, Abstract No. 56 (Jesse Holt, Owner; Russell Britt, United Bilt Homes, Representative; and Data Land Services, Surveyors)
- B. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5871**
Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District in the 1900 Block of Creekside Avenue, being 0.878 acres in the Elizabeth Jones Survey, Abstract No. 625 and being Part of Lot 3, Park Plaza Addition (Walt DeRonde, Owner; Greg Edwards Engineering Services, Inc., Engineer; and Cox Land Surveying Company, Surveyors)
- B. 4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5872**
Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow Automobile Sales in a C-1 (Retail Business) District at 1908 East Lamar Street, being Lot 1, Block 1, Eastside Business Park (Cristobal & Favian Madrid, Owners; and Salomon Rivera, Applicant); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed \$2,000.00

Close Public Hearing and Consider Adoption of Ordinances

B. 5. ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 5870, 5871 and 5872

B. 6. 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. 5948

Authorizing Execution of an Agreement with Kelly Square, Inc. under the City of Sherman's Central Business District Historic Building Restoration and Improvement Grant Program for Improvements to 115 North Travis Street

C. 2. RESOLUTION NO. 5949

Awarding a Bid to and Authorizing Execution of a Contract with Glover Mowing & Landscaping Company for the 2015 City Parks and Grounds Finish Mowing Contract

C. 3. * RESOLUTION NO. 5950

Awarding a Bid to and Authorizing Execution of a Contract with AMX Premium Cleaning Services, LLC for the 2015 City Parks and Grounds Restroom Cleaning Contract

C. 4. * RESOLUTION NO. 5951

Authorizing Execution of an Agreement with Tobar Properties, LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 521 East Pacific Street

Other Business

D. 1. OTHER BUSINESS

Accept Annual Audit Report for Year Ended September 30, 2014 from Adami, Lindsey and Company, L.L.P.

D. 2. OTHER BUSINESS

Consider Joshua Loe's Request to Ban Smoking in Restaurants and Bars located within Sherman's City Limits

D. 3. OTHER BUSINESS

Discuss and Consider Approval of the Budget Calendar for Fiscal Year (FY) 2015-2016

D. 4. * OTHER BUSINESS

Consider Request of the 2015 Earth Day Planning Committee to Temporarily Close Certain Streets for the "7th Annual Earth Day Festival" on Saturday, April 25, 2015

D. 5. * OTHER BUSINESS

Replat Approval of Austin Landing, Phase One, Block F, Lot 13; being 2.960 acres in the Alexander & Richards Survey, Abstract No. 42, also being Lot 13, Block F, Austin Landing Addition, Phase One; Stonehollow Homes, Owners; and Westwood Professional Services, Surveyor (5100 North Travis Street)

D. 6. * OTHER BUSINESS

Final Plat Approval of Austin Landing, Phase 2A; being 26.983 acres in the Alexander & Richards Survey, Abstract No. 42; Stonehollow Homes, Owners; and Westwood Professional Services, Surveyor (4600-5300 Blocks of North Travis Street)

D. 7. * OTHER BUSINESS

Replat Approval of Lots 3 & 4, Park Plaza Addition; being 1.860 acres in the Elizabeth Jones Survey, Abstract No. 625; also being All of Lots 3 & 4, Park Plaza Addition; Walt DeRonde, Owner; Greg Edwards Engineering Services, Inc., Engineer; and Cox Land Surveying Company, Surveyor (1900 Block of Creekside Avenue and 3700 Block of West Park Avenue)

D. 8. * OTHER BUSINESS

Replat Approval of Ameristate Bank Addition, a Replat of Part of Lot 4, Block 1, Dr. J.H. Carraway's Subdivision and a Replat of the Replat of Lot 3, Block 1 and a Replat of Ameristate Central Plaza; being 8.633 acres in the J.B. McAnair Survey, Abstract No. 763 and Part of Lot 4, Block 1 of Dr. J.H. Carraway's Subdivision and also being All of Lot 2 of the Replat of Lot 3, Block 1, Dr. J.H. Carraway's Subdivision, and Lots 1 & 2, Ameristate Central Plaza, a Replat of Lots 1 & 2, Block 1, Dr. J.H. Carraway's Subdivision; Ameristate Bank, Owners; Vilbig & Associates, PLLC, Engineer; and Helvey & Associates Surveying, Inc., Surveyor (700 Block of East Lamberth Road, 2500 Block of Masters Street, and 2400-2500 Blocks of Loy Lake Road)

E. CITIZEN REQUESTS

F. MEDIA QUESTIONS

G. COUNCIL COMMENTS

H. 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 12, 2015 at 1:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 12th day of March, 2015
City of Sherman, Texas

City Clerk

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

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

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

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

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

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

Mayor

Carolyn S. Wacker

Deputy Mayor

David Plyler

Council Members

Ryan Johnson, Council-At-Large, PL #1

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

Lawrence Davis, Council – District #1

Terrence R. Steele, Council – District #2

Tom Watt, Council – District #3

David Plyler, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. A. 4.

Meeting Date: 03/16/2015

Prepared By: Linda Ashby, City Clerk

Approved By: George Olson, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF MARCH 2, 2015

Attachments

March 2, 2015

March 2, 2015

**MEMBERS PRESENT: MAYOR CARY WACKER; DEPUTY MAYOR DAVID PLYLER.
COUNCIL MEMBERS DAVIS, JOHNSON, SOFEY, STEELE.**

CALL TO ORDER

CALL TO ORDER

APPROVE MINUTES

**ANNEXATION OF
7.32 ACRES ON
W. LAMBERTH RD.**

No citizens appeared before the City Council to discuss the annexation of 7.32 acres of land on West Lamberth Road, adjoining the Old County Farm on the south side.

CONSENT AGENDA

CONSENT AGENDA

**RES 5943
RESIDENTIAL TAX
ABATEMENT
(1113 S. TRAVIS)**

1

SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH CUPID INVESTMENTS FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1113 SOUTH TRAVIS STREET.
CONSENT AGENDA.

RESOLUTION NO. 5944 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH CUPID INVESTMENTS FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1106 SOUTH WALNUT STREET

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH CUPID INVESTMENTS FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1106 SOUTH WALNUT STREET.
CONSENT AGENDA.

RES 5944
RESIDENTIAL TAX
ABATEMENT
(1106 S. WALNUT)

RESOLUTION NO. 5945 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH MALAQUIAS GARCIA FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1427 EAST THOMAS STREET

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH MALAQUIAS GARCIA FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1427 EAST THOMAS STREET.
CONSENT AGENDA.

RES 5945
RESIDENTIAL TAX
ABATEMENT
(1427 E. THOMAS)

RESOLUTION NO. 5946 – APPROVING THE GREATER TEXOMA UTILITY AUTHORITY’S INTENTION TO CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC FOR CONSTRUCTION OF THE EASTSIDE OUTFALL RETURN SEWER

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY’S INTENTION TO CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC FOR CONSTRUCTION OF THE EASTSIDE OUTFALL RETURN SEWER.

RES 5946
EASTSIDE OUTFALL
RETURN SEWER

Mark Gibson, Director of Utilities, explained that this project is a Capital Improvement Project from the Utility Fund and would be awarded through the Greater Texoma Utility Authority. GTUA will consider the project at their March 16, 2015 Meeting.

The low bid was with Lynn Vessels Construction, who is a local contractor that the City has worked with many times. The bid was approximately \$120,000 lower than the next two bidders at around \$900,000. He added that usually that would be a “red flag” for selection of a contractor. But Mr.

COUNCIL MINUTES – MARCH 2, 2015

Vessels wants to work closer to home and the City knows his work, so the staff is not concerned about the low bid.

The project will replace about two miles of the Eastside Outfall Return Sewer, which is located on the east side of Sherman, paralleling the creek from Patricia Street to past the Animal Shelter, then to where Hwy 11 and First Street meet, then back to the west to connect with an existing sewer and on to the Wastewater Treatment Plant.

The project should start in May 2015 and should be complete in 180 days, or October 2015. The line has deteriorated and will be replaced as well as upsized.

Mr. Gibson asked the Council to consider approving the action of GTUA and award the project to Lynn Vessels Construction. Mayor Wacker added that this project has been on the CIP for awhile.

ACTION TAKEN.

Motion by Council Member Sofey to approve Resolution No. 5946, as presented. Second by Council Member Johnson.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 5947 – AUTHORIZING THE PURCHASE OF A 2016 KENWORTH T270 CONTAINER TRUCK CHASSIS FOR THE SOLID WASTE SERVICES DEPARTMENT FROM MHC KENWORTH THROUGH THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD)
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF A 2016 KENWORTH T270 CONTAINER TRUCK CHASSIS FOR THE SOLID WASTE SERVICES DEPARTMENT FROM MHC KENWORTH THROUGH THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD).
CONSENT AGENDA.

RES 5947
SOLID WASTE
EQUIPMENT

CHANGE ORDER NO. 1
GALLAGHER ELEVATED TANK REPAIR AND REPAINT PROJECT; MOVE PROJECT START DATE TO NOVEMBER 7, 2016

CHANGE ORDER
GALLAGHER
ELEVATED TANK
REPAIR & REPAINT

Mr. Gibson said the change order is to move the start date of the Gallagher Elevated Tank Repair and Repaint Project to November 2016. The staff would like to stay with the same contractor because he is very good and probably one of the best painting contractors the City has had the opportunity to work with. He has agreed to extend the start date to 2016.

The reason the staff would like to delay the project is to bring forward a request to construct another elevated tank in the southwest part of Sherman. The new tank needs to be in service prior to taking the Gallagher Tank out of service for repair and repainting.

COUNCIL MINUTES – MARCH 2, 2015

Mr. Gibson said the new tank would probably be located south of U.S. Hwy 82 and north of FM 1417. It will also be in the same “pressure plane” as the Gallagher Tank.

The contractor is agreeable to moving the start date, and to be fair to everyone, Mr. Gibson said if there have been any price increases in paint, materials, or repair items, those will be negotiated prior to the project.

He asked the Council to consider moving the start date of the Gallagher Elevated Tank Repair and Repainting Project to November 2016.

ACTION TAKEN.

Motion by Deputy Mayor Plyler to move the start date of the project to repair and repaint the Gallagher Elevated Tank to November 7, 2016, as presented. Second by Council Member Steele.

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

VOTING NAY: None.

MOTION CARRIED.

WATER TREATMENT PLANT UPDATE

Mr. Gibson updated the City Council on the Water Treatment Plant Expansion Project. Last week the four vendors brought in their pilot plant units for the microfiltration units. All four units are on site and final adjustments are being made to make them operational.

Hopefully, weather permitting, those units will begin running on Wednesday. He offered to take any Council Member on a tour of the facility.

Mayor Wacker confirmed that the test will allow the staff to evaluate the four units and select the best one suited for the City’s conditions. That will determine which units are selected for the expansion project.

CITIZENS REQUESTS

There were no citizen’s requests.

MEDIA QUESTIONS

There were no media questions.

COUNCIL COMMENTS

ICY WEATHER

Council Member Davis said he was thankful that everyone got through the icy weekend without any major disasters and hoped the next week would be okay too.

THANKS TO POLICE AND FIRE DEPARTMENTS

Council Member Sofey thanked the Police and Fire Departments for their hard work during the icy weather.

RESIDENTIAL TAX ABATEMENTS

Council Member Sofey said the program that the City has for

WATER TREATMENT PLANT UPDATE

CITIZENS REQUESTS

MEDIA QUESTIONS

ICY WEATHER

THANKS TO POLICE & FIRE DEPTS

RESIDENTIAL TAX ABATEMENTS

COUNCIL MINUTES – MARCH 2, 2015

the abatement of ad valorem property taxes is a great project to enhance construction in target areas.

THANKS TO POLICE AND FIRE DEPARTMENTS

Council Member Steele thanked the Police and Fire Departments for their hard work during the recent icy weather.

THANKS TO POLICE
& FIRE DEPTS

THANKS TO STREET DEPARTMENT

Mayor Wacker also thanked the Street Department for their hard work during the recent icy weather. She added that the City has great employees that pull together and she thanked them for their work.

THANKS TO
STREET DEPT

PARKS AND RECREATION PROGRAMS

Mayor Wacker said the Parks and Recreation 2015 Spring Recreation Guide is now available in many City offices and can be viewed on the City's website. There is a lot going on in Sherman.

PARKS & RECREATION
PROGRAMS

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

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

EXECUTIVE SESSION

SECTION 551.074

PERSONNEL MATTERS:
CONSIDER THE
QUALIFICATIONS, APPOINTMENT
AND REMOVAL OF MEMBERS TO
BOARDS AND COMMISSIONS:
PLANNING AND ZONING
COMMISSION (2)

Council Members decided they did not need to discuss the qualifications of applicants to the Planning and Zoning Commission in Executive Session.

PLANNING AND ZONING COMMISSION (2)
ACTION TAKEN.

Motion by Council Member Johnson to reappoint Sam Thorpe and Joe Gilbert to the Planning and Zoning Commission for a term from February 21, 2015 to February 21, 2018. Second by Council Member Davis.
VOTING AYE: Davis, Johnson, Plyler, Sofey, Steele.
VOTING NAY: None.
MOTION CARRIED.

PLANNING &
ZONING COMMISSION

COUNCIL MINUTES – MARCH 2, 2015

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at 5:13 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 1.

Meeting Date: 03/16/2015

Prepared By: Brandon Shelby, City Attorney

Approved By: George Olson, City Manager

Caption:

PUBLIC HEARING

Conduct the Second Public Hearing Concerning the Annexation of 7.32 Acres of Land on West Lamberth Road, Adjoining the Old County Farm on the South Side, Adjacent to the Sherman City Limits, and in the City of Sherman's Extra Territorial Jurisdiction

Issue:

To conduct the second public hearing concerning the annexation of 7.32 acres of land in the City's extra territorial jurisdiction (ETJ), in accordance with state law and the City Charter

Background:

It is the City's intention to annex specifically identified individual areas in the City's ETJ, in accordance with state law and the City Charter. At its February 16th meeting, the City Council approved the schedule for annexation of this property, which set the March 2nd first public hearing, this second public hearing, and introduction and adoption of the Ordinance to annex the subject property at the April 6th regular Council meeting.

The first public hearing was held on March 2nd as scheduled, with no public comments received.

Origination:

City Council

Financial Consideration:

City accepts maintenance. The incremental cost of annexing this residential property is negligible.

Staff Recommendation:

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

Alternatives:

As directed by the City Council

Attachments

Request for Annexation

Location Map

Annexation Schedule

Field Notes and Sketch

Facility Plan

February 3, 2015

Mr. George Olson, City Manager
City of Sherman
220 W. Mulberry
Sherman, TX 75090

Dear Mr. Olson,

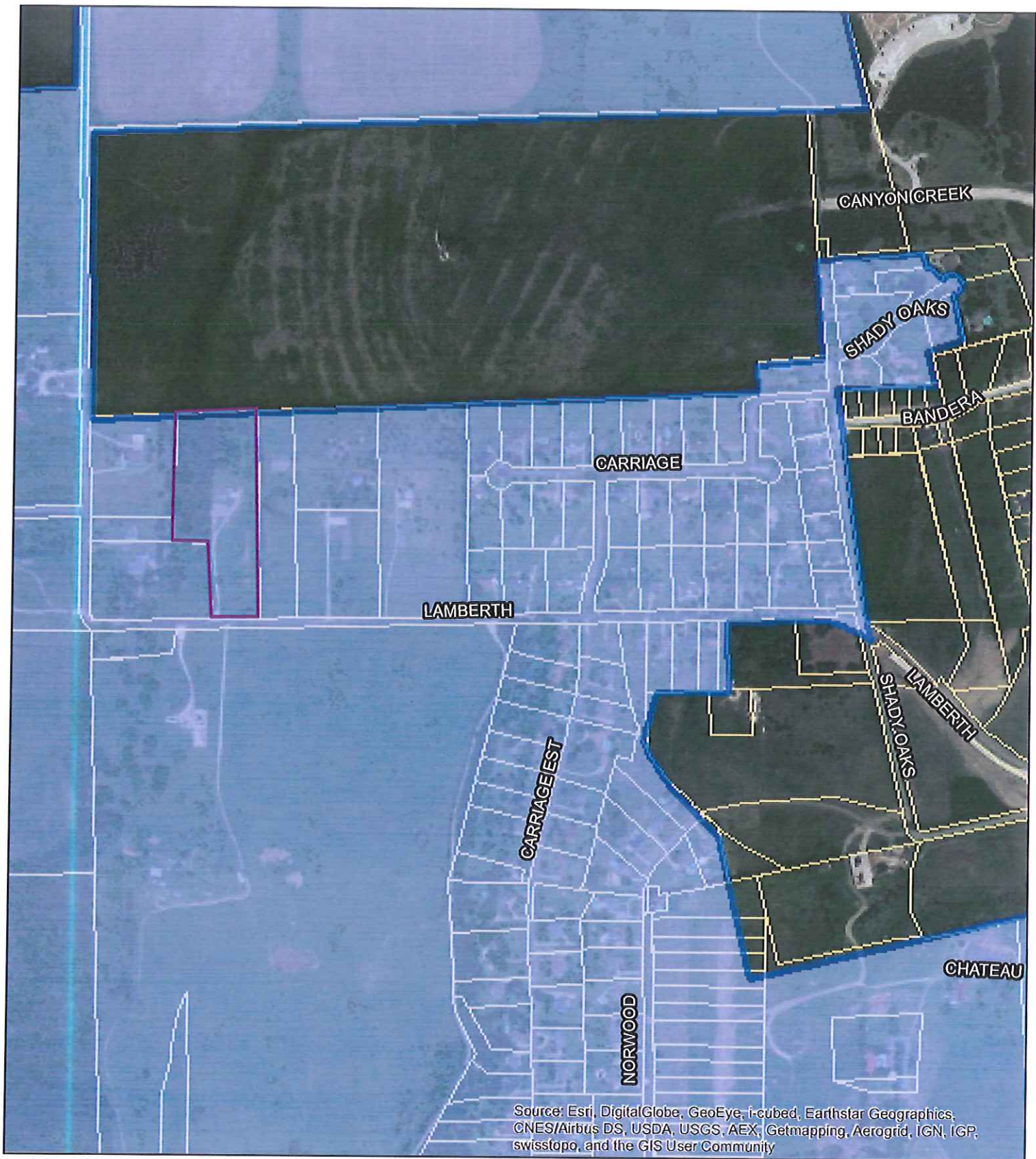
This letter is the request the annexation of my property located at 3691 W. Lamberth Road into the City of Sherman. This property is located adjacent to the old "County Farm", just to the south. I have provided a copy of the legal description, survey drawings, and survey field notes to your Engineering and Development department.

Thank you for your consideration in this. Please contact me at (903) 819-7452 if you have any questions or need any other information.

Regards,



Robby Hefton



ANNEXATION SCHEDULING PLAN

Annexation of 7.32 acres on Lamberth Road and adjacent to the City Limits

Wednesday, February 18, 2015.....	Send written notice to property owners in the area to be annexed, public or private entities that provide services in that area, and any railroads with a right of way in the area to be annexed. The Department of Engineering Services will prepare a service plan that details the specific Municipal Services that will be provided to the area after it is annexed.
Thursday, February 19, 2015.....	Post notice on City's website, newspaper and City Hall for City Council's 1 st Public Hearing on intent to annex. Send written notice to each public school district in the area to be annexed. Send by certified mail a second written notice to any railroads with a right of way in the area to be annexed. Obtain required affidavit of publication from newspaper.
Thursday, February 26, 2015.....	Post notice of 1 st Public Hearing under the Open Meetings Act.
Monday, March 2, 2015.....	City Council's 1 st Public Hearing on intent to annex and service plan.* (Regular Meeting)
Thursday, March 5, 2015.....	Post notice on City's website, newspaper and City Hall for City Council's 2nd Public Hearing on intent to annex. Obtain required affidavit of publication from newspaper.
Thursday, March 12, 2015.....	Post notice of 2 nd Public Hearing under the Open Meetings Act.
Monday, March 16, 2015.....	City Council's 2 nd Public Hearing on intent to annex and service plan.* (Regular Council Meeting)
Thursday, April 2, 2015.....	Post notice on City's website, newspaper and City Hall for introduction of annexation ordinance and adoption of the ordinance. Posting will also be in compliance with the Open Meetings Act.
Monday, April 6, 2015.....	City Council Public Hearing for introduction and consideration of adoption of annexation ordinance. (Regular Council Meeting)

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

SARTIN & ASSOCIATES SURVEYING COMPANY
P.O. Box 1843 Sherman, Texas 75091-1843 (903)892-8003
Fax Number (903)868-2970

SITUATED in the County of Grayson, State of Texas, being a part of the JAMES H. VADEN SURVEY, Abstract No. 1288, being a part of a 43.6629 acre tract of land conveyed by Essie Saunders and Raymond Plumlee to Don W. Hefton by deed dated May 14, 1964, recorded in Volume 1006, Page 484, Deed Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows to-wit:

BEGINNING at a found 3/8 inch rebar on the North line of said 43.6629 acre tract, said rebar maintaining the Northeast corner of a 6.00 acre tract of land described in Three Tracts in deed from Shane Kenneth Wilson and Carla J. Wilson to J. P. McConnell and E. Jean McConnell, dated April 24, 1997, recorded in Volume 2539, Page 429, Official Public Records, Grayson County, Texas;

THENCE North 88 deg. 27 min. 00 sec. East, with the general line of a fence, the North line of said 43.6629 acre tract, a distance of 394.02 feet to a found 1/2 inch rebar at the base of a fence corner post, said rebar maintaining the Northwest corner of a 5.00 acre tract of land conveyed by

THENCE South 00 deg. 25 min. 23 sec. East, with the general line of a fence, the West line of said 5.00 acre at a distance of 1005.68 ft. passing a found 1/2 inch rebar on the North side of a public road known as Lamberth Road, and continuing for a total distance of 1016.78 feet to a found 1/2 inch rebar in said road, and on the South line of both said 43.6629 acre tract, and Vaden Survey, the North line of the William Thompson Survey, Abstract No. 1209, said rebar maintaining the Southwest corner of said 5.00 acre tract;

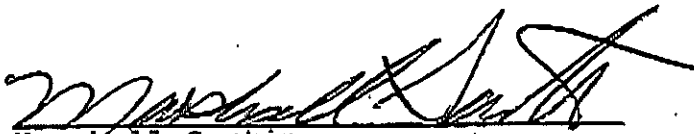
THENCE South 89 deg. 39 min. 49 sec. West, along said Lamberth Road, and with the South line of both said 43.6629 acre tract, and Vaden Survey, the North line of said Thompson Survey, a distance of 166.31 feet to a set spike nail;

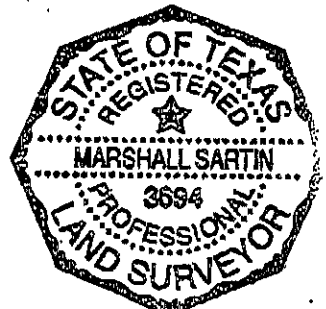
THENCE North 03 deg. 58 min. 28 sec. West, leaving said Lamberth Road, and continuing with the center of a gravel drive for a total distance of 387.64 feet to a set 1/2 inch rebar;

THENCE South 88 deg. 27 min. 00 sec. West, a distance of 212.66 feet to a found 1/2 inch rebar maintaining the Southeast corner of the above mentioned 6.00 acre tract;

THENCE North 00 deg. 24 min. 00 sec. East, with the East line of said 6.00 acre tract, a distance of 626.13 feet to the place of beginning and containing 7.32 ACRES OF LAND more or less.....

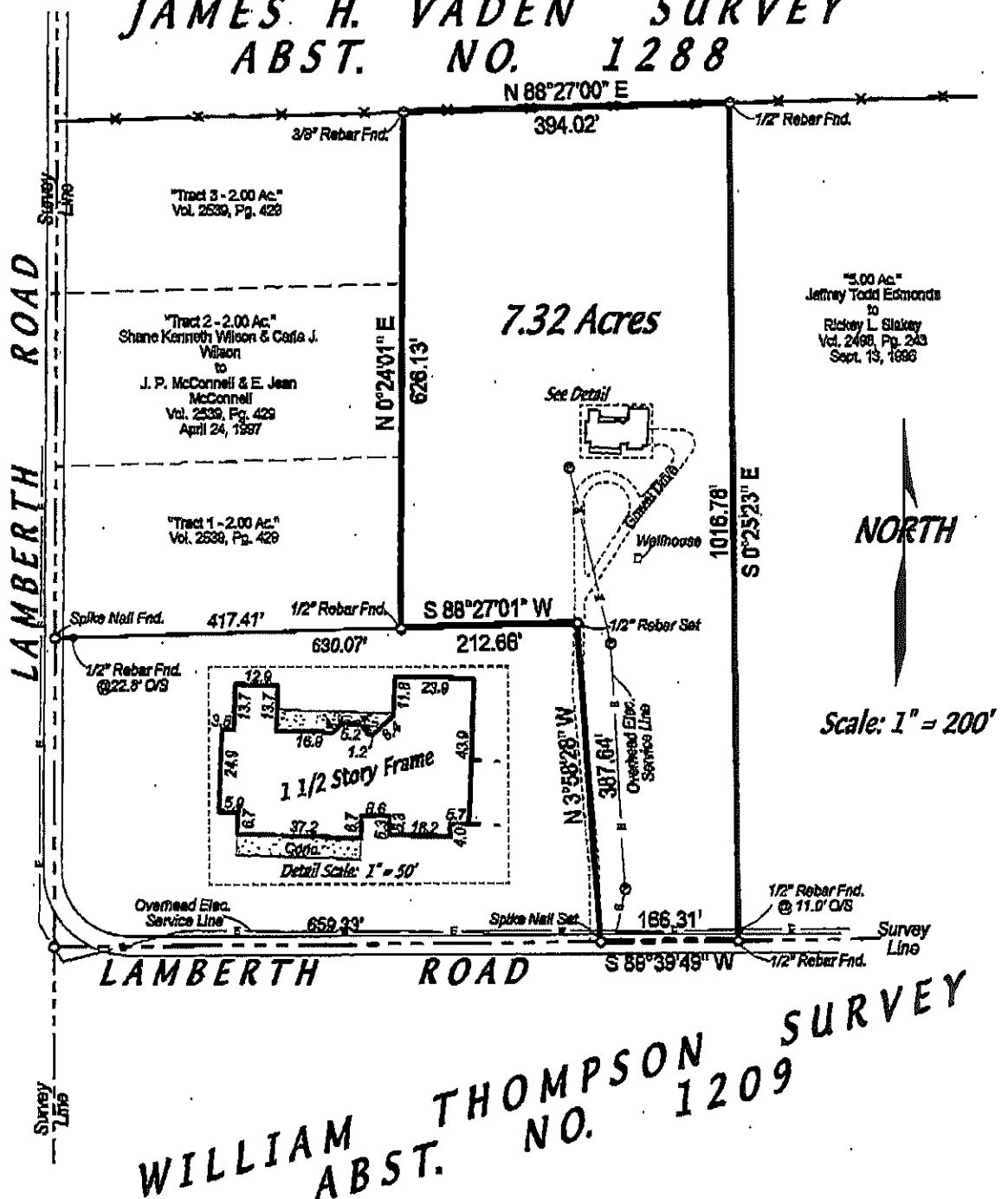
I, Marshall Sartin, Registered Professional Land Surveyor, hereby certify that a survey of the property legally described hereon was made on the ground on the 17 th day of August, 1998 and that this survey substantially complies with the current Minimum Standards for Professional Land Surveyors as adopted by the Texas Board of Professional Land Surveying.


Marshall Sartin
R.P.L.S. # 3694



G. R. REEVES SURVEY
ABST. NO. 1020

JAMES H. VADEN SURVEY ABST. NO. 1288



SARTIN & ASSOCIATES
SURVEYING COMPANY

P.O. Box 1843 Sherman, Texas 75091-1843 (903)892-8003
FAX NUMBER 903-868-2970

Survey for: ROBBIE HEFTON

I, Marshall Sartin, Registered Professional Land Surveyor, hereby certify that a survey of the property shown hereon was made on the ground on the 17th day of August, 1998 of the following described property:
Improvements located September 24th, 1999;

(Legal description attached)

That the improvements on said property are known as 3691 West Lamberth Road, Sherman, Texas 75092 and that this survey substantially complies with the current Minimum Standards for Professional Land Surveyors as adopted by the Texas Board of Professional Land Surveying. Bearings are based on monuments found, and deed bearings used in Volume 1539, page 429, and Volume 2498, Page 243, Official Public Records, Grayson County, Texas.

Marshall Sartin, R.P.L.S. # 3694



City of Sherman
Municipal Service Plan
7.32 Acres on West Lamberth Road

INTRODUCTION:

The annexation is the site of 7.32 acres on West Lamberth Road (3691 W Lamberth Rd) lying adjacent to the City of Sherman existing city limits.

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

MUNICIPAL SERVICES TO BE PROVIDED:

POLICE PROTECTION: Provide police services to include patrol, response to calls for police assistance, as well as any other customary or necessary police services, from the effective date of annexation forward, using available personnel and equipment.

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

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

STREETS AND BRIDGES: Any future city streets will be developed by the standard provisions of the Developers Ordinance with future maintenance by the City of Sherman. Street lighting will be established according to city guidelines.

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

CONSTRUCTION INSPECTIONS: Building permits and inspection services will be available upon annexation.

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

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

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

CAPITAL IMPROVEMENTS:

WATER SERVICE: Extensions of existing city mains for future development will be made by standard City of Sherman utility extension methods. All connections to new or existing water mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.

SEWER SERVICE: Extensions of any existing sewer facilities of the City of Sherman for existing or future development may be made by standard City of Sherman utility extension methods provided the capacity of the existing appurtenances is not exceeded at the time of development. Use of lift stations and force mains may be required to serve some portions of this area. All connections to new or existing sewer mains will be based upon existing City policies as applicable to all city residents as stated in the current codes and ordinances.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 2.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5870

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District at 502 East Centennial Street, being 0.778 acres in the Samuel Blagg Survey, Abstract No. 56 (Jesse Holt, Owner; Russell Britt, United Bilt Homes, Representative; and Data Land Services, Surveyors)

Issue:

To consider the request from Jesse Holt (Owner), Russell Britt, United Bilt Homes (Representative), and Data Land Services (Surveyors) for a zone change and site plan approval from an M-2 (Heavy Manufacturing) District to an R-1 (One Family Residential) District concerning the property located at 502 East Centennial Street

Background:

The property is located at 502 East Centennial Street, between South Branch and South First Streets. The property has been zoned an M-2 (Heavy Manufacturing) District for a number of years because of its proximity of being near the railroad tracks. The owner would like to rezone the property to an R-1 (One Family Residential) District to a build single family home on the lot.

Origination:

Jesse Holt (Owner)
Russell Britt, United Bilt Homes (Representative)
Data Land Services (Surveyors)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 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. 5870

Location Map

Zoning Map

Zoning Photo

Narrative

Survey/Site Plan

Elevations

P&Z Communication

ORDINANCE NO. 5870

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-1 (ONE FAMILY RESIDENTIAL) DISTRICT AT 502 EAST CENTENNIAL STREET, BEING 0.778 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56 (JESSE HOLT, OWNER; RUSSELL BRITT, UNITED BILT HOMES, REPRESENTATIVE; AND DATA LAND SERVICES, SURVEYORS); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the R-1 (One Family Residential) District at 502 East Centennial Street, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

ALL that certain tract or parcel of land lying and being situated in the City of Sherman, Texas, in the Samuel Blagg Survey, Abstract Number 56, Grayson County, Texas, being all of the (called) 162 1/2 feet by 210 feet tract conveyed to Joe Holt and Jessie Mae Holt, February 27, 1980, by deed recorded in Volume 1506, Page 785, of the Deed Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at an iron rod set at the northwest corner of said Holt tract at the intersection of the South right of way of Centennial Street (being 30.0 feet from center of concrete curb and gutter and asphalt pavement) and an East right of way of a Saint Louis-San Francisco Railway Company Tracks (being 40.0 feet from center of said tracks);

THENCE North 74 degrees 11 minutes 00 seconds East, with the North line of said Holt tract and the South line of said Centennial Street right-of-way, a distance of 161.67 feet to a chain link fence corner post found at the northwest corner of the (called) 1.311 acre tract conveyed to Virginia Crane, September 11, 2000, by sales contract, said tract described by deed recorded in Volume 2730, Page 535, of Real Property Records of Grayson County, Texas;

THENCE South 16 degrees 33 minutes 10 seconds East, with the West line of said Crane tract and the East line of said Holt Tract, along and near a chain link and a wire fence, a distance of 210.00 feet to an iron rod set, from which an iron rod found at a fence corner post, the southeast corner of said Crane Tract on the North line of a tract conveyed to Justin Briscoe By Sheriffs Deed, October 31, 2014, recorded in Volume 5541, Page 224, of said Real Property Records, bears South 16 degrees 33 minutes 10 seconds East, 26.35 feet;

THENCE South 74 degrees 11 minutes 00 seconds West, with the South line of said Holt Tract, a distance of 160.60 feet to an iron rod set in a curve of the East right-of-way line of said railway;

THENCE with said curvey to the right, having a delta angle of 01 degree 20 Minutes 35 seconds, a radius of 2,824.79 feet, an arc length of 66.22 feet and a chord of north 17 degrees 18 minutes 18 seconds West, 66.21 feet to a point of tangency;

THENCE North 16 degrees 38 minutes 00 seconds west, with said railway Right-of-way, a distance of 143.80 feet to the **POINT-OF-BEGINNING and CONTAINING IN ALL 0.778 ACRE OR 33,901 SQUARE FEET 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 _____, 2015.

ADOPTED on this the _____ day of _____, 2015.

EFFECTIVE DATE on this the _____ day of _____, 2015.

CITY OF SHERMAN, TEXAS

BY: _____
CAROLYN S. WACKER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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



Sherman
CLASSIC TOWN. BROAD HORIZON.

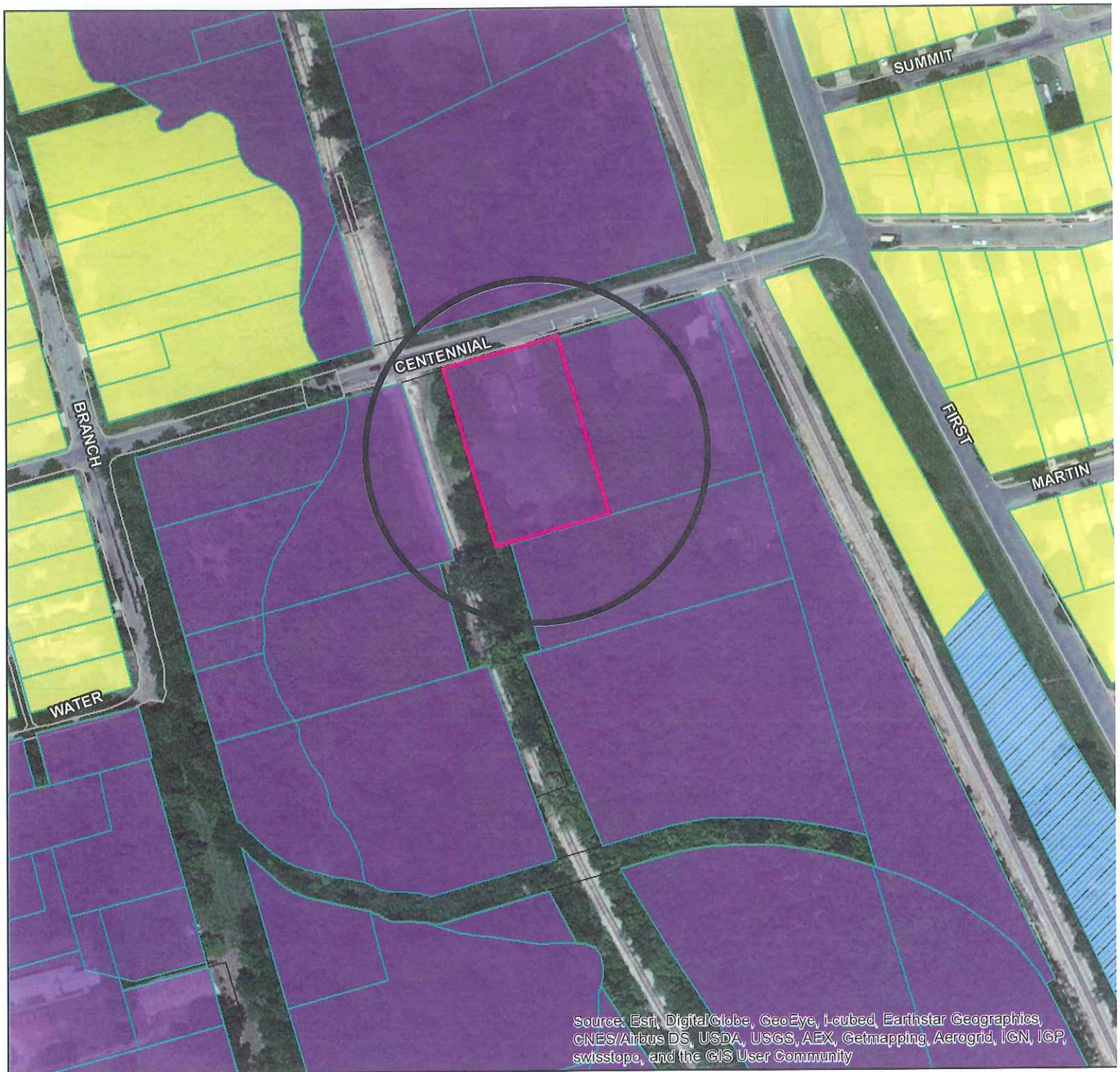
City of Sherman, Texas
Developmental Services Department

502 E. Centennial



NOT TO SCALE

1 inch = 156 feet



Zoning - 502 E. Centennial

Legend

ZONING PARCELS	DISTRICT_NAME	C-2 General Commercial District
Transportation Corridors Overlay	Arts and Cultural District	CO Office District
HWY_NAME	Blalock Commercial Overlay District	Lakes
FM 1417	Central Business District	M-1 Light Manufacturing District
Sam Rayburn Freeway	College Park District	M-1.5 Medium Manufacturing District
US Hwy 82 and 75	Downtown Overlay District	M-2 Heavy Manufacturing District
Special Districts Overlay	Historic Preservation District	MH Manufacturing Housing District
	ZONING PARCELS	R-1 One Family Residential District
	Zoning Classification	R-2 Multi-Family Residential District
	Unknown	R-A Single Family Agricultural District
	BIP Blalock Industrial Park	SF-1 Single Family Residential District
	C-1 Retail Business District	

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 187 feet

502 E. Centennial





January 27, 2015

City of Sherman Development Services
220 W. Mulberry
P O Box 1106
Sherman, TX 75091

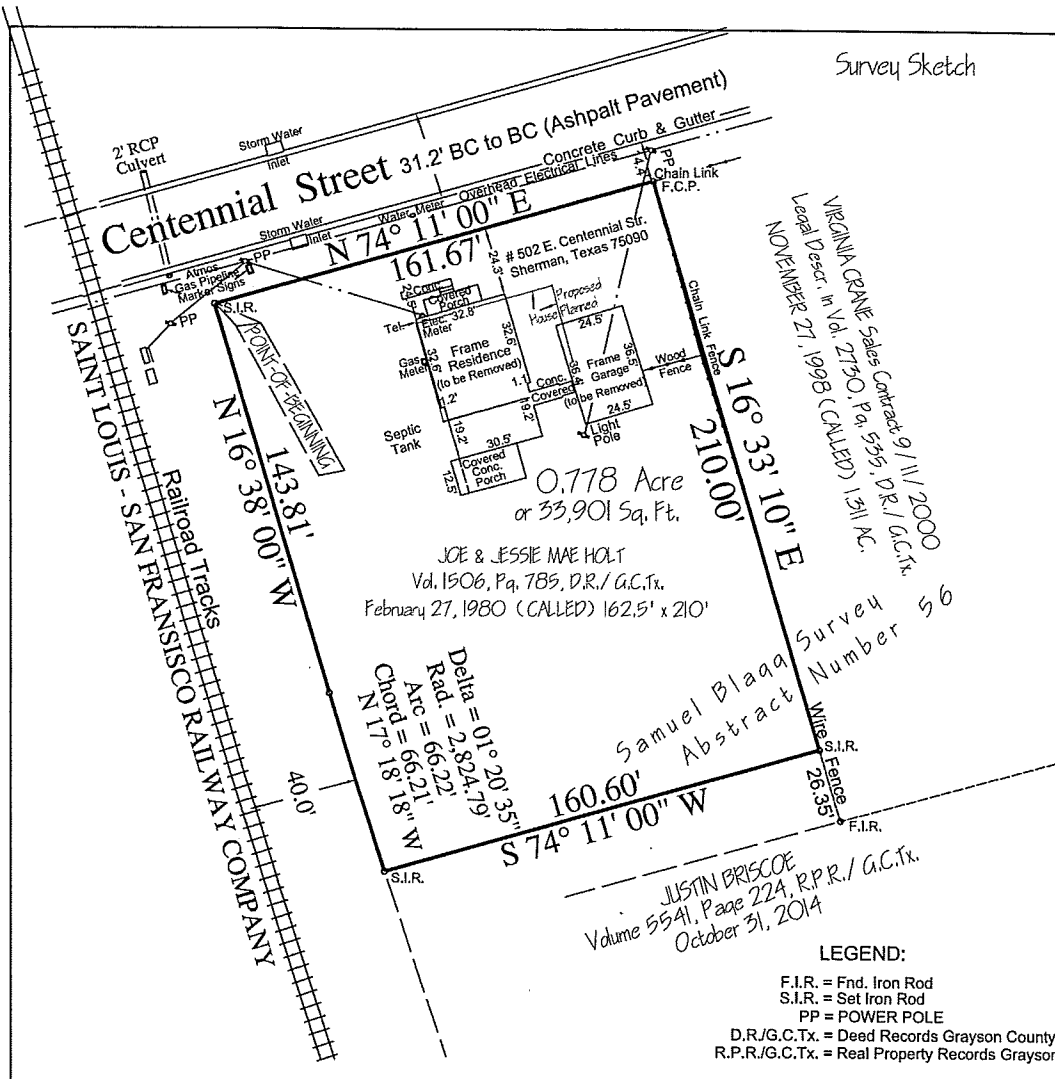
United-Bilt Homes has been approached to build a home for Jessie Holt on 502 E. Centennial, Sherman, TX. She is a 92 year old veteran of the area, who currently lives on the property in a house less than livable. United-Bilt Homes has been hired to remove the current structure and build the new structure in its place.

Thank you,

A handwritten signature in blue ink, appearing to read 'Russell Britt'.

Russell Britt | **United-Bilt Homes**
General Manager
cell (903) 814-7103
main (903) 868-1555
email russell.britt@ubh.com

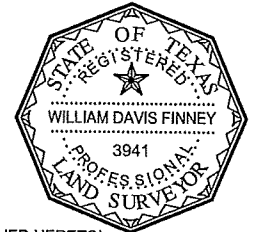
Survey Sketch



THIS LOT IS WITHIN ZONE 'X', (UNSHADED) AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN, PER FLOOD INSURANCE RATE MAP NUMBER 4818C0405 F, FOR GRAYSON COUNTY, TEXAS AND INCORPORATED AREAS. EFFECTIVE DATE: SEPTEMBER 29, 2010. 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.

THIS SURVEY IS FOR THE BENEFIT OF UNITED-SILT HOMES LLC. AND / OR ITS SUCCESSORS AND ASSIGNS, JESSIE M. HOLT, AND DOES HEREBY CERTIFY, THAT I, WILLIAM DAVIS FINNEY, PREPARED THIS SKETCH AND FIELD NOTE DESCRIPTION, THIS DAY, JANUARY 20, 2015, FROM A CAREFUL AND ACCURATE SURVEY, MADE ON THE GROUND UNDER MY SUPERVISION, OF THE PROPERTY DESCRIBED HEREIN, AND THAT THERE ARE NO (VISIBLE) ENCROACHMENTS, PROTRUSIONS, OVERLAPPING OF IMPROVEMENTS, OR EASEMENTS EXCEPT AS SHOWN HEREON.

WILLIAM DAVIS FINNEY, R.P.L.S., Tx. #3941



(FIELD NOTE DESCRIPTIONS ATTACHED HERETO)

DATA LAND SERVICES REG. PROF. LAND SURVEYING
P. O. BOX 2110, FORNEY, TEXAS, 75126 Ph. (972) 564-6166 Fax (972) 564-3079
Cell (903) 815-2769 Email: data Landservices@yahoo.com or hlfinney@verizon.net
TEXAS BOARD OF PROFESSIONAL LAND SURVEYING FIRM REGISTRATION LICENSE NUMBER 10183900

SKETCH OF 0.778 ACRE OF LAND IN THE SAMUEL BLAGG SURVEY
ABSTRACT NUMBER 56, IN GRAYSON COUNTY, TEXAS, AT #502 E.
CENTENNIAL ST., SHERMAN TEXAS 75090, FOR JESSIE M. HOLT

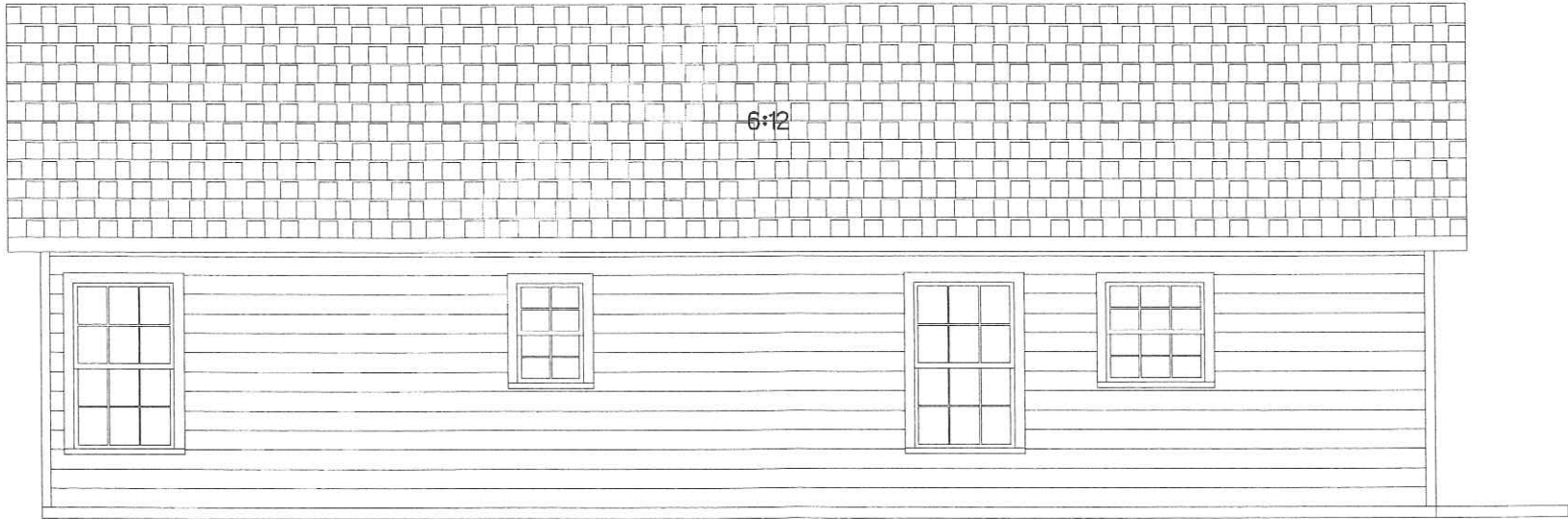
DRAWN BY:	W.D.F.	DATE:	JANUARY 20, 2015
SCALE:	1" = 50'	JOB NUMBER:	35020

LEGEND:

F.I.R. = Fnd. Iron Rod
S.I.R. = Set Iron Rod
PP = POWER POLE
D.R./G.C.Tx. = Deed Records Grayson County, Texas
R.P.R./G.C.Tx. = Real Property Records Grayson County, Texas



FRONT ELEVATION



REAR ELEVATION

© 2015 United-Bilt Homes, Inc. This drawing and design are the property of United-Bilt Homes. They are submitted on the condition that they are not to be used, reproduced, or copied, in whole or part, or used for furnishing information to others, without the prior written consent of United-Bilt Homes. All common law rights of copyright and otherwise are specifically reserved.

SCALE:	3/16" = 1'-0"
DATE:	1-26-2015
ACCT. NO.	60004390
DRAWN BY:	N. PARKER
SHEET NO.	3 of 10

FRONT & REAR
ELEVATION PLAN

HOUSE PLANS FOR
HOLT

U United-Bilt
HomesSM



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 8.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Eric Elliott, Commissioner

Ron Barton, Commissioner

Chris Vellotti, Commissioner

Sam Thorpe, Commissioner

Sean Vanderveer, Commissioner

Ronnie Dutton, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

502 E. CENTENNIAL

The request of Jesse Holt (Owner), Russell Britt, United Bilt Homes (Representative) and Data Land Services (Surveyors) concerning the property at 502 E. Centennial Street, being 0.778 acres in the Samuel Blagg Survey, Abstract No. 56, as follows:

Planning and Zoning Commission

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

Background:

The property is located at 502 East Centennial Street between South Branch and South First Streets. The property has been zoned an M-2 (Heavy Manufacturing) District for a number of years because of the proximity of being near the railroad tracks. The owner would like to rezone the property to an R-1 (One Family Residential) District to build a single family home on the lot.

Adjacent Zoning:

M-2 (Heavy Manufacturing) District

Origination:

Jesse Holt (Owner)

Russell Britt, United Bilt Homes (Representative)

Data Land Services (Surveyors)

Master Plan Designation:

Estate – Estate is a large lot residential use (1-5 acres) with open space and a rural street network (ditches and no sidewalk). These homes are unlikely to have access to full service public utilities, especially sewer service.

Number of notices mailed:

8

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Photo

Narrative

Survey/Site Plan

Elevations



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 3.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5871

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District in the 1900 Block of Creekside Avenue, being 0.878 acres in the Elizabeth Jones Survey, Abstract No. 625 and being Part of Lot 3, Park Plaza Addition (Walt DeRonde, Owner; Greg Edwards Engineering Services, Inc., Engineer; and Cox Land Surveying Company, Surveyors)

Issue:

To consider the request from Walt DeRonde (Owner), Greg Edwards Engineering Services, Inc. (Engineer), and Cox Land Surveying Company (Surveyors) for a zone change and site plan approval from a C-1 (Retail Business) District to an R-1 (One Family Residential) District concerning the property located in the 1900 block of Creekside Avenue

Background:

The property is located in the 1900 block of Creekside Avenue, the northwest corner of Creekside Avenue and West Park Avenue in the Pebblebrook Subdivision off of F.M. 1417 South (Heritage Parkway). The property is zoned a C-1 (Retail Business) District. The owner would like to rezone the property to an R-1 (One Family Residential) District to build single family homes on the lots.

Origination:

Walt DeRonde (Owner)
Greg Edwards Engineering Services, Inc. (Engineer)
Cox Land Surveying Company (Surveyors)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 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. 5871

Location Map

Zoning Map

Zoning Photo

Site Plan

Elevations

P&Z Communication

ORDINANCE NO. 5871

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTIES WITHIN THE R-1 (ONE FAMILY RESIDENTIAL) DISTRICT IN THE 1900 BLOCK OF CREEKSIDE AVENUE, BEING 0.878 ACRES IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625 AND BEING PART OF LOT 3, PARK PLAZA ADDITION (WALT DERONDE, OWNER; GREG EDWARDS ENGINEERING SERVICES, INC., ENGINEER; AND COX LAND SURVEYING COMPANY, SURVEYORS); PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That, from and after the passage of this ordinance, the following described property shall be in the R-1 (One Family Residential) District in the 1900 block Creekside Avenue, and that Section 12, Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

ALL that certain tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, County of Grayson, State of Texas, said tract as described in Deed to Walter H. DeRonde, filed March 03, 2004 and Recorded in Volume 3639, Page 133 of the Deed Records of the County Grayson, State of Texas, said tract being part of Lot 3 of the Park Plaza Addition, and Recorded in Volume 16, Page 183 of the Plat Records of the County of Grayson, State of Texas, and being more fully described as follows:

BEGINNING for the Northeast comer of the tract being described herein at a found ½ inch Steel Rebar, said rebar being the northeast corner of said Lot 3, said rebar also being on the west line of Creekside Avenue:

THENCE; South 28 degrees 11 minutes 49 seconds West, with the East line of said Lot 3 and the West ROW of Creekside Avenue, a distance of 333.86 feet to a found ½ inch Steel Rebar:

THENCE; South 76 degrees 49 minutes 22 seconds West, a distance of 9.22 feet to a found ½ Steel Rebar for a comer on the North line of Park Avenue:

THENCE; With a curve to the left, a radius of 880.00 feet, an Arc Length of 113.48 feet, a central angle of 07 degrees 23 minutes 20 seconds, chord bearing of North 58 degrees 01 minutes 14 seconds West, a distance of 113.40 feet for the Southwest corner of this tract;

THENCE North 28 degrees 11 minutes 49 seconds East, a distance of 300.39 feet to the North line of said Lot 3:

THENCE South 76 degrees 43 minutes 21 seconds East, with the North line of said Lot 3, a distance of 124.24 feet to the **POINT OF BEGINNING AND CONTAINING 0.878 OF AN ACRE 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 _____, 2015.

ADOPTED on this the _____ day of _____, 2015.

EFFECTIVE DATE on this the _____ day of _____, 2015.

CITY OF SHERMAN, TEXAS

BY: _____
CAROLYN S. WACKER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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



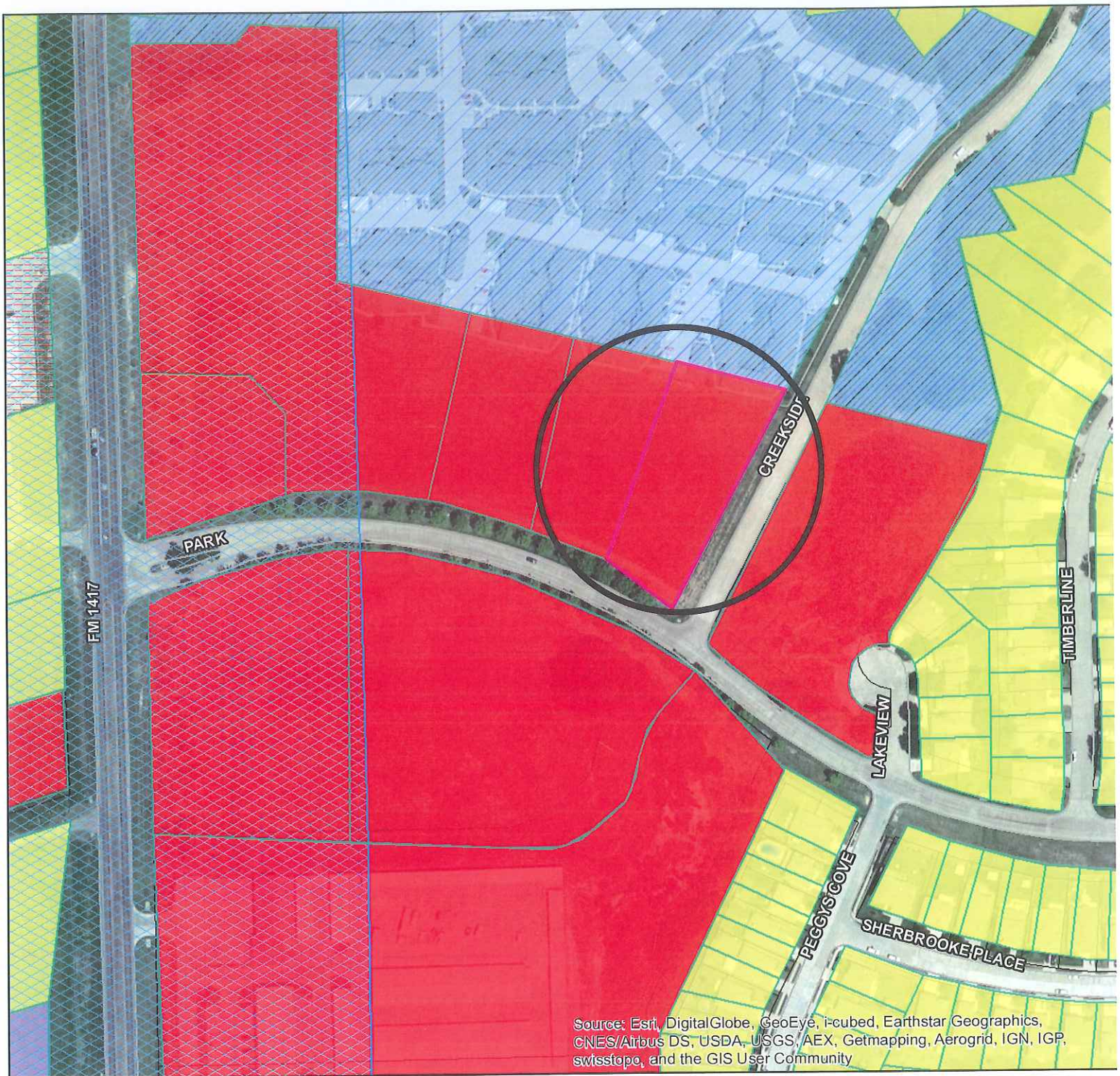
City of Sherman, Texas
Developmental Services Department

1900 Block Creekside Ave.



NOT TO SCALE

1 inch = 234 feet



Zoning - 1900 Block Creekside Ave.



Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

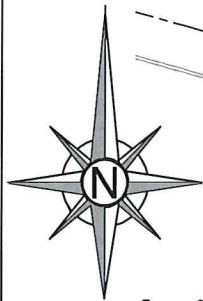
1 inch = 195 feet

1900 Block Creekside Ave.

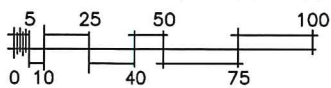




Location Map



SCALE: 1" = 40'



$R = 880.00'$
 ARC LENGTH = 113.48'
 CHORD LENGTH = 113.40'
 CHORD BEARING = N58°01'14"W

FIP/CAP
By MECP

Metal Fence

190.70'

Park Plaza Addition

Vol. 16 Pg. 183 P.R.

LOT 4

Walter H Deronde
 03 March 2004
 Vol. 3639 Pg. 133 D.R.

LOT 3

LOT 2

POINT OF
BEGINNING

S 76°43'21" E 124.24'

(Concrete Surfaced)
50' ROW

Creekside Avenue

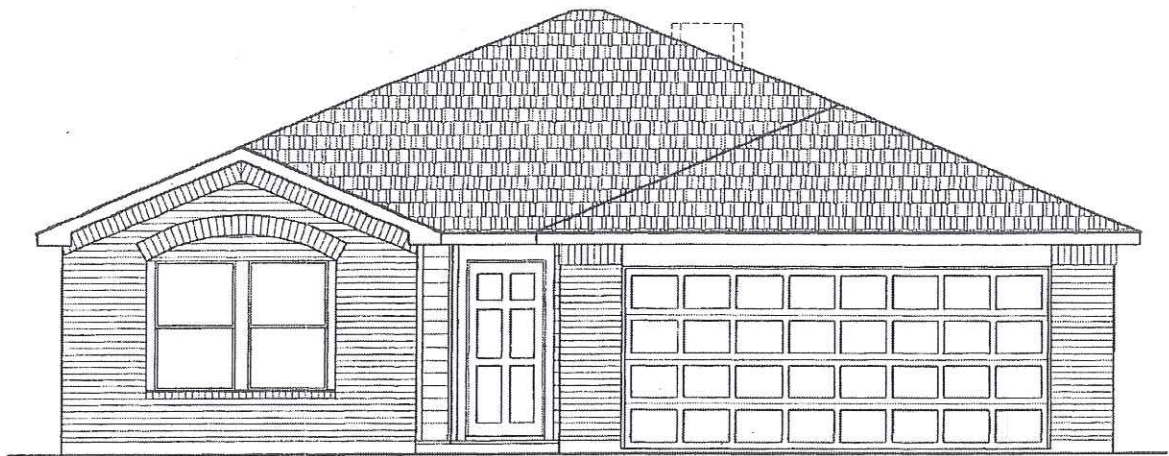
Park Plaza Addition Zoning Exhibit
 0.878 Acres



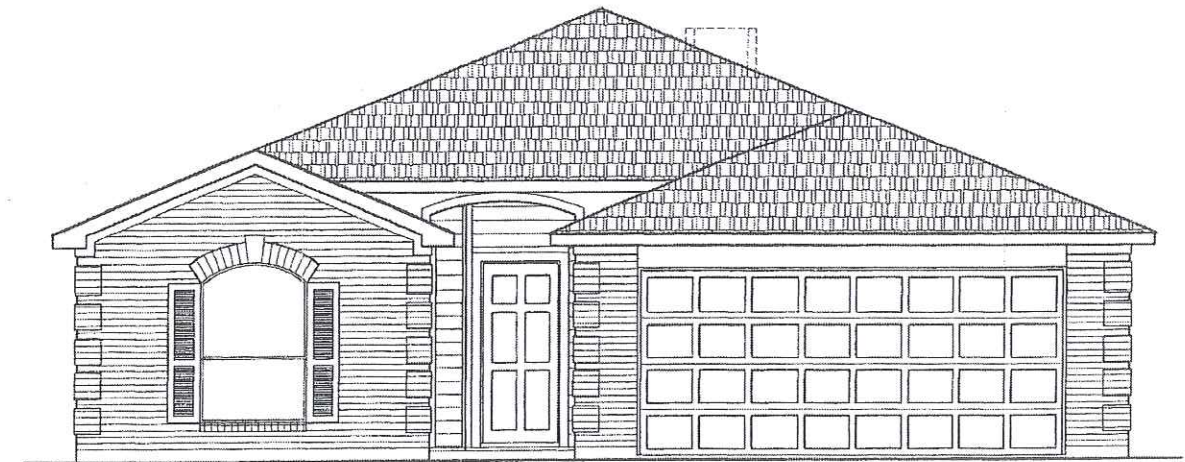
GREG EDWARDS
 ENGINEERING SERVICES, INC.
 GREG EDWARDS, P.E.
 1621 AMANDA COURT, PONDER, TX 76259
 PH: (840) 482-2907 Fax: (840) 482-0214
 WWW.GES.US
 PRR REGISTRATION # F-004850



ELEVATION A



ELEVATION B



ELEVATION C

12/27/01

Alfene



All floor plans and exterior renderings are artist conceptions. All dimensions are approximate.
Floor Plans, room sizes, exteriors, and standard features may vary based on the elevation and options selected.
Ryland Homes reserves the right to modify the plan and specifications without notice or obligation.



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 13.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Ron Barton, Commissioner

Sam Thorpe, Commissioner

Ronnie Dutton, Commissioner

Eric Elliott, Commissioner

Chris Vellotti, Commissioner

Sean Vanderveer, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

1900 BLOCK CREEKSIDE AVENUE

The request of Walt DeRonde (Owner), Greg Edwards Engineering Services, Inc. (Engineer) and Cox Land Surveying Company (Surveyors) concerning the property in the 1900 Block of Creekside Avenue, being 0.878 acres in the Elizabeth Jones Survey, Abstract No. 625 and being part of Lot 3, Park Plaza Addition, 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-1 (One Family Residential) District.

Background:

The property is located in the 1900 Block of Creekside Avenue, the northwest corner of Creekside Avenue and West Park Avenue in the Pebblebrook Subdivision off FM 1417 South (Heritage Parkway). The property is zoned a C-1 (Retail Business) District. The owner would like to rezone the property to an R-1 (One Family Residential) District to build single family homes on the lots.

Adjacent Zoning:

C-1 (Retail Business) District

R-2 (Multi-Family Residential) District

Origination:

Walt DeRonde (Owner)

Greg Edwards Engineering Services, Inc. (Engineer)

Cox Land Surveying Company (Surveyors)

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:

2

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Photo

Site Plan

Elevations



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 4.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5872

Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow Automobile Sales in a C-1 (Retail Business) District at 1908 East Lamar Street, being Lot 1, Block 1, Eastside Business Park (Cristobal & Favian Madrid, Owners; and Salomon Rivera, Applicant); 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 Cristobal and Favian Madrid (Owners) and Salomon Rivera (Applicant) concerning the property located at 1908 East Lamar Street, being Lot 1, Block 1, Eastside Business Park, to allow automobile sales in a C-1 (Retail Business) District

Background:

The property is located at 1908 East Lamar Street, between Dewey Avenue and Wanda Drive. The property is zoned a C-1 (Retail Business) District and was granted a Specific Use Permit to allow automobile sales at the February 7, 2011 City Council Meeting. The Specific Use Permit was voided after it discontinued for a period of sixty (60) consecutive days. The property has not been used for automobile sales since 2012, therefore requiring approval of a new Specific Use Permit.

The applicant is requesting approval of a Specific Use Permit to allow automobiles sales at this location.

Origination:

Cristobal and Favian Madrid (Owners)
Salomon Rivera (Applicant)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 regular meeting, the Planning and Zoning Board voted 7/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 5872

Location Map

Zoning Map

Zoning Photo

Site Plan

Elevations

P&Z Communication

Staff Review Letter

ORDINANCE NO. 5872

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 AUTOMOBILE SALES IN A C-1 (RETAIL BUSINESS) DISTRICT AT 1908 EAST LAMAR STREET, BEING LOT 1, BLOCK 1, EASTSIDE BUSINESS PARK (CRISTOBAL & FAVIAN MADRID, OWNERS; AND SALOMON RIVERA, APPLICANT); PROVIDING FOR A REPEALER; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; 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, Cristobal & Favian Madrid (Owners) and Salomon Rivera (Applicant) are granted a Specific Use Permit to allow automobile sales in a C-1 (Retail Business) District at 1908 East Lamar Street, and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING Lot 1, Block 1, Eastside Business Park

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

Zoning:

1. All aspects of the C-1 (Retail Business) District, the sign ordinance and the Commercial Tree and Landscaping Ordinance must be followed. The exterior façade is required to be masonry or equivalent on the sides of all buildings visible from front street right-of-way.
2. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
3. No outside parking or storage of dismantled vehicles, wrecks or parts is allowed.
4. All parking shall be on private property and shall not encroach into East Lamar Street right-of-way.
5. Parking is permitted on paved surfaces only.
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. Any modifications to existing drive approaches will require TxDOT approval.

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 _____, 2015.

ADOPTED on this the _____ day of _____, 2015.

EFFECTIVE DATE on this the _____ day of _____, 2015.

CITY OF SHERMAN, TEXAS

BY: _____
CAROLYN S. WACKER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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



Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

1908 E. Lamar



NOT TO SCALE

1 inch = 78 feet



Zoning - 1908 E. Lamar

Legend

ZONING PARCELS	DISTRICT_NAME	C-2 General Commercial District
Transportation Corridors Overlay	Arts and Cultural District	CO Office District
HWY_NAME	Blalock Commercial Overlay District	Lakes
FM 1417	Central Business District	M-1 Light Manufacturing District
Sam Rayburn Freeway	College Park District	M-1.5 Medium Manufacturing District
US Hwy 82 and 75	Downtown Overlay District	M-2 Heavy Manufacturing District
Special Districts Overlay	Historic Preservation District	MH Manufacturing Housing District
	ZONING PARCELS	R-1 One Family Residential District
	Zoning Classification	R-2 Multi-Family Residential District
	BIP Blalock Industrial Park	R-A Single Family Agricultural District
	C-1 Retail Business District	SF-1 Single Family Residential District

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 107 feet

1908 E. Lamar



Flood Certification:

The subject property shown hereon does not lie within the limits of any "designated" Flood Hazard Areas, as shown on the "FEMA" Flood Insurance Rate Map for Grayson County, Texas, Map No. 48181C0145 E, dated: July 17, 1995.

G.B. Pilant Survey Abstract No. 963 in the City of Sherman, Grayson County, Texas

Scale:
1" = 30'

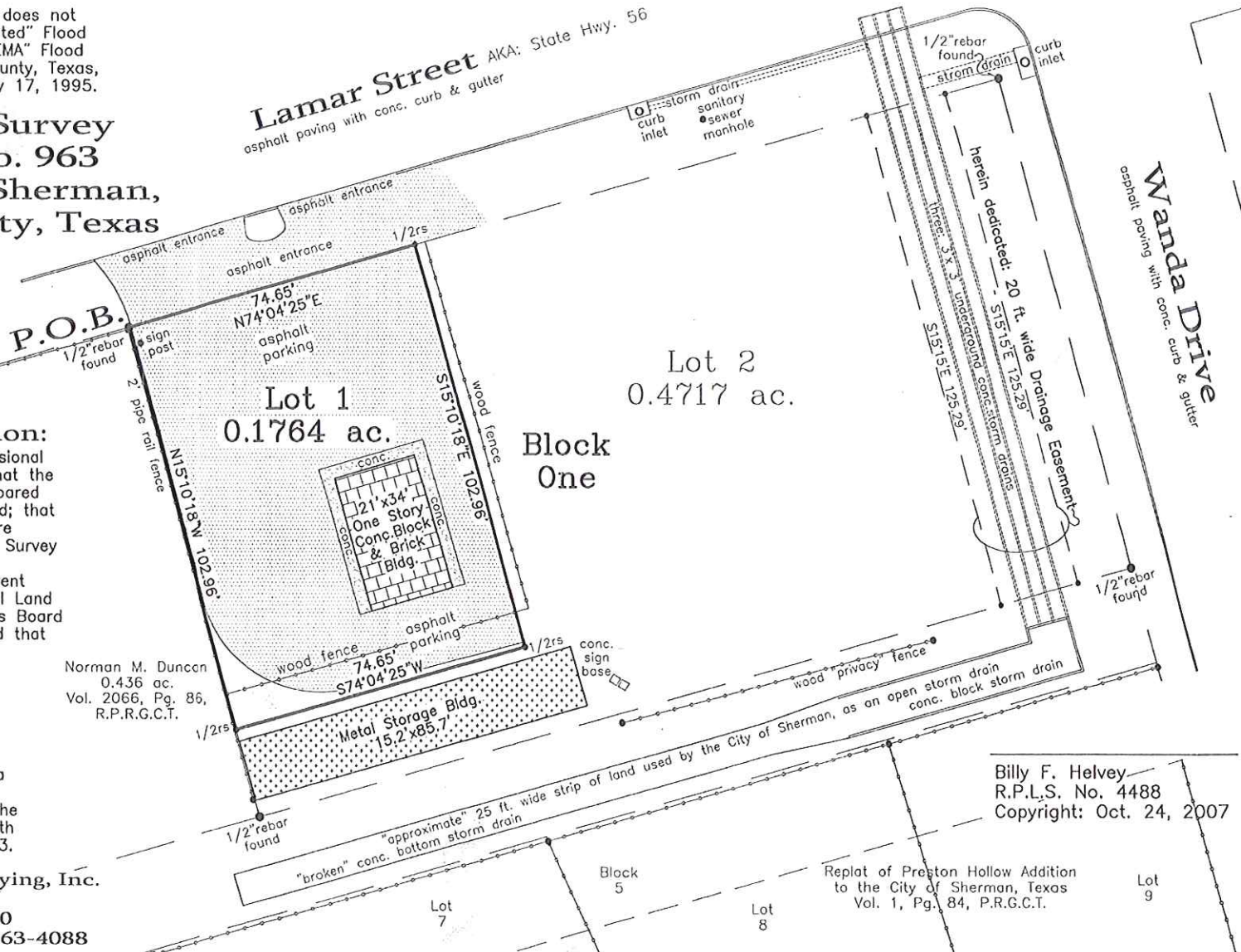
Surveyor's Certification:

I, Billy F. Helvey, Registered Professional Land Surveyor, do hereby certify that the Survey Plat shown hereon was prepared from a Survey made on the ground; that visible evidence of Utilities that were detected during the course of this Survey are shown hereon; that the Survey substantially complies with the current minimum standards for Professional Land Surveyors, as adopted by the Texas Board of Professional Land Surveying; and that Survey Plat is a true and accurate representation of the property.

Bearing Base:

Grid North: as derived from a Survey Grade "GPS" System, operated in "RTK" mode, in the U.S. State Plane System, North Central Texas Zone, NAD 1983.

Helvey and Associates Surveying, Inc.
222 W. Main St.
Denison, Texas 75020
Ph 903-463-6191 Fax 903-463-4088







**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 6.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Eric Elliott, Commissioner

Ron Barton, Commissioner

Chris Vellotti, Commissioner

Sam Thorpe, Commissioner

Sean Vanderveer, Commissioner

Ronnie Dutton, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

1908 E. LAMAR

The request of Cristobal & Favian Madrid (Owners) and Salomon Rivera (Applicant) concerning the property at 1908 East Lamar Street, being Lot 1, Block 1, Eastside Business Park, as follows:

Planning and Zoning Commission

Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5) (a) to allow automobile sales in a C-1 (Retail Business) District.

Background:

The property is located at 1908 East Lamar Street between Dewey Avenue and Wanda Drive. The property is zoned a C-1 (Retail Business) District and was granted a Specific Use Permit to allow automobile sales at the February 7, 2011, City Council Meeting. The Specific Use Permit was voided after it discontinued for period of sixty (60) consecutive days. The property has not been used for automobile sales since 2012, therefore requiring approval of a new Specific Use Permit.

The applicant is requesting a Specific Use Permit to allow automobiles sales at this location.

Adjacent Zoning:

C-2 (General Commercial) District

C-1 (Retail Business) District

Origination:

Cristobal & Favian Madrid (Owners)

Salomon Rivera (Applicant)

Master Plan Designation:

Auto Urban Commercial – Requires 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:

15

Objections Received:

0

Attachments

Location Map

Zoning Map

Zoning Photo

Site Plan

Elevations

Staff Review Letter

STAFF REVIEW LETTER

February 11, 2015

Cristobal & Favian Madrid
908 S. Montgomery
Sherman, TX 75090

Salomon Rivera
10401 Cricket Dr.
Dallas, TX 75217

Dear Applicants,

The request for a Specific Use Permit and site plan approval to allow automobile sales in a C-1 (Retail Business) District for the property located at 1908 E. Lamar Street has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 17, 2015 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-1 (Retail Business) District, the sign ordinance and the Commercial Tree and Landscaping Ordinance must be followed. The exterior façade is required to be masonry or equivalent on the sides of all buildings visible from front street right-of-way.
2. Fire lanes and codes shall be coordinated with the Fire Marshal, (903.892.7267).
3. No outside parking or storage of dismantled vehicles, wrecks or parts is allowed.
4. All parking shall be on private property and shall not encroach into East Lamar Street right-of-way.
5. Parking is permitted on paved surfaces only.
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. Any modifications to existing drive approaches will require TxDOT approval.

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



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 5.

Meeting Date: 03/16/2015

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved by: George Olson, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 5870, 5871 and 5872

List of Agenda Items:

B.2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5870

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District at 502 East Centennial Street, being 0.778 acres in the Samuel Blagg Survey, Abstract No. 56 (Jesse Holt, Owner; Russell Britt, United Bilt Homes, Representative; and Data Land Services, Surveyors)

B.3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5871

Amending Section 12, Ordinance No. 2280, so as to Include Certain Properties within the R-1 (One Family Residential) District in the 1900 Block of Creekside Avenue, being 0.878 acres in the Elizabeth Jones Survey, Abstract No. 625 and being Part of Lot 3, Park Plaza Addition (Walt DeRonde, Owner; Greg Edwards Engineering Services, Inc., Engineer; and Cox Land Surveying Company, Surveyors)

B.4. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 5872

Amending Section 8, Subsection (5)(a), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow Automobile Sales in a C-1 (Retail Business) District at 1908 East Lamar Street, being Lot 1, Block 1, Eastside Business Park (Cristobal & Favian Madrid, Owners; and Salomon Rivera, Applicant); Providing that this Specific Use Permit Shall be Granted Subject to Certain Conditions; Providing a Penalty Not to Exceed \$2,000.00



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. B. 6.

Meeting Date: 03/16/2015

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved by: George Olson, 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

List of Agenda Items:

- C.3. * RESOLUTION NO. 5950**
Awarding a Bid to and Authorizing Execution of a Contract with AMX Premium Cleaning Services, LLC for the 2015 City Parks and Grounds Restroom Cleaning Contract
- C.4. * RESOLUTION NO. 5951**
Authorizing Execution of an Agreement with Tobar Properties, LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 521 East Pacific Street
- D.4. * OTHER BUSINESS**
Consider Request of the 2015 Earth Day Planning Committee to Temporarily Close Certain Streets for the "7th Annual Earth Day Festival" on Saturday, April 25, 2015
- D.5. * OTHER BUSINESS**
Replat Approval of Austin Landing, Phase One, Block F, Lot 13; being 2.960 acres in the Alexander & Richards Survey, Abstract No. 42, also being Lot 13, Block F, Austin Landing Addition, Phase One; Stonehollow Homes, Owners; and Westwood Professional Services, Surveyor (5100 North Travis Street)
- D.6. * OTHER BUSINESS**
Final Plat Approval of Austin Landing, Phase 2A; being 26.983 acres in the Alexander & Richards Survey, Abstract No. 42; Stonehollow Homes, Owners; and Westwood Professional Services, Surveyor (4600-5300 Blocks of North Travis Street)
- D.7. * OTHER BUSINESS**
Replat Approval of Lots 3 & 4, Park Plaza Addition; being 1.860 acres in the Elizabeth Jones Survey, Abstract No. 625; also being All of Lots 3 & 4, Park Plaza Addition; Walt DeRonde, Owner; Greg Edwards Engineering Services, Inc., Engineer; and Cox Land Surveying Company, Surveyor (1900 Block of Creekside Avenue and 3700 Block of West Park Avenue)

D.8. * OTHER BUSINESS

Replat Approval of Ameristate Bank Addition, a Replat of Part of Lot 4, Block 1, Dr. J.H. Carraway's Subdivision and a Replat of the Replat of Lot 3, Block 1 and a Replat of Ameristate Central Plaza; being 8.633 acres in the J.B. McAnair Survey, Abstract No. 763 and Part of Lot 4, Block 1 of Dr. J.H. Carraway's Subdivision and also being All of Lot 2 of the Replat of Lot 3, Block 1, Dr. J.H. Carraway's Subdivision, and Lots 1 & 2, Ameristate Central Plaza, a Replat of Lots 1 & 2, Block 1, Dr. J.H. Carraway's Subdivision; Ameristate Bank, Owners; Vilbig & Associates, PLLC, Engineer; and Helvey & Associates Surveying, Inc., Surveyor (700 Block of East Lamberth Road, 2500 Block of Masters Street, and 2400-2500 Blocks of Loy Lake Road)



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 1.

Meeting Date: 03/16/2015

Prepared By: Robby Hefton, Deputy City Manager

Approved By: George Olson, City Manager

Caption:

RESOLUTION NO. 5948

Authorizing Execution of an Agreement with Kelly Square, Inc. under the City of Sherman's Central Business District Historic Building Restoration and Improvement Grant Program for Improvements to 115 North Travis Street

Issue:

An agreement with Kelly Square, Inc. for a Building Restoration and Improvement Grant for improvements to a historically significant, Central Business District property at 115 North Travis Street

Background:

The City Council has allocated \$40,000.00 of the Hotel-Motel Occupancy Tax revenues for the 2014-2015 fiscal year for a Building Restoration and Improvement Grant Program, designed to stimulate substantial, visible, and permanent improvements to historically significant commercial buildings and to spur interest in vacant and underutilized buildings of historical value, in the Central Business District. Grants under the program are awarded at the City Council's sole discretion, in the maximum amount of \$25,000.00 per project. In all cases, applicants are required to provide matching funds at a ratio of four to 1 (4:1). Each grant is packaged as a forgivable loan with a lien placed on the property. The lien is released at the end of five years provided that, for the duration, the business remains open, operative, and free of graffiti and blight; taxes are kept current, and the property remains in compliance with all Development Services Department and Fire Department work orders. Projects must begin within 90 days of permit approval and be completed within twelve months.

At the February 16th meeting, the City Council awarded the seventh application received under the program to Sean Vanderveer, which is restoring the historic structure on the east side of North Travis Street, adjacent to an undeveloped lot in Downtown Sherman. The grant was awarded at an estimated amount of \$8,500.00, leaving a maximum available grant amount of \$6,500.00 for any other projects for this fiscal year.

This application from Kelly Square, Inc. is the eighth received under the program. The project is to restore the historic structure established in 1870 and located at the northeast corner of South Travis Street and Houston Street and the east side of the square in Downtown Sherman. The project will make renovations to relocate the Kelly Square sign and extend/connect the balcony along the front of the structure. The expected costs for the proposed renovation work are \$13,640.00; thus, at 25% reimbursement, the grant qualifies for an estimated reimbursement of approximately \$3,400.00, with

around \$3,100.00 remaining in the fund for another grant project. The applicant has provided proof of the property's historical significance.

Origination:

Robert W. Minshew, President of Kelly Square, Inc.

Financial Consideration:

The 2014-2015 Hotel-Motel Tax Fund contains an allocation of \$40,000.00 for this incentive program for the Central Business District. Grants are at the discretion of the City Council; and any amount up to \$25,000.00 may be awarded. Grant funds remain in the amount of \$6,500.00 for this fiscal year.

Staff Recommendation:

As the application meets the requirements of the program, it is recommended that the City Council consider an award to Kelly Square, Inc.

Alternatives:

The City Council could deny this request.

Attachments

Resolution No. 5948

Agreement

Program Guidelines & Policies, Application & Estimates

Architectural Drawings

Balcony Rendering

Proof of Historical Significance

Articles of Incorporation

Warranty Deed

Encroachment Easement

Deed of Trust

Aerial Photograph

Location Map

RESOLUTION NO. 5948

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH KELLY SQUARE, INC. UNDER THE CITY OF SHERMAN'S CENTRAL BUSINESS DISTRICT HISTORIC BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM FOR IMPROVEMENTS TO 115 NORTH TRAVIS STREET; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Kelly Square, Inc. for improvements to 115 North Travis Street under the City of Sherman's Central Business District Historic Building Restoration and Improvement Grant Program, 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 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 _____, 2015.

CITY OF SHERMAN, TEXAS

BY: _____
CAROLYN S. WACKER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY



**CITY OF SHERMAN
CENTRAL BUSINESS DISTRICT HISTORIC
BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM**

AGREEMENT

THIS AGREEMENT is made and entered into on this the ____ day of _____, 2015, by and between the City of Sherman, a municipal corporation of the State of Texas, hereinafter referred to as “City”, and Kelly Square, Inc., hereinafter referred to as “Applicants.”

WITNESSETH THAT, in consideration of the mutual promises and undertaking herein for the purpose of carrying out the restoration of a downtown property, thereby benefiting both the Applicants and the City;

THEREFORE, the Applicants and the City certify and agree to the terms and conditions as set forth below:

**I.
TERMS OF AGREEMENT**

1. **Ownership and Grant Program.** The Applicants represent and presented documentation that they are the owners of or tenants in good standing of a certain property located at 115 North Travis Street in the City of Sherman, Grayson County, Texas, hereinafter referred to as “Property,” lying within an area where the City is conducting a Central Business District Historic Building Restoration and Improvement Grant Program as described in the Program’s “Guidelines and Policies,” a copy of which has been provided to the Applicants and is attached hereto as Exhibit “A” and made a part of this Agreement for all purposes, a copy of which has been provided to the Applicants.
2. **Property Description and Eligibility.** The Property is of commercial, retail, service, professional and/or office use, and Applicants’ proposed improvements to the Property listed in the Central Business District Historic Building Restoration and Improvement Grant Program Application are eligible improvements as described in the Program’s Guidelines and Policies. Applicants state that all of the information contained in the application is truthful and discloses sufficient information so as not to be misleading. The submitted application is attached hereto as Exhibit “B” and incorporated into this Agreement for all purposes.
3. **Compliance with Codes.** All improvements to be undertaken will be consistent with all applicable Zoning and Building Codes.

4. **City Approval for Work.** Only the work that is agreed to by the City and the Applicants, which will be outlined in a formal written notice to proceed to be provided to the Applicants by the City upon Application approval, will be eligible for reimbursement. Any changes to the project that are not approved by the City in writing will not be eligible for reimbursement. Any work that is begun by the Applicants prior to receiving a written notice to proceed from the City will not be eligible for reimbursement.
5. **Rebate/Reimbursement.** The City will rebate a portion of the cost of eligible building improvements as described in the Program Guidelines. Reimbursement claims for all eligible expenses for completed improvements must be accompanied by the following supporting documents: applicable planning and building permits, canceled checks and paid invoices/receipts for eligible work.
6. **Lien.** Upon completion of the work, the City shall record a conditional lien on the property in the full amount of the City's monetary grant to Applicants and the Applicants consent to such lien. The lien shall remain in effect until the terms and conditions in Exhibit "A" have been fully complied with or the lien in favor of the City has been paid in full.
7. **Display of Sign.** After the work has been completed, Applicants shall display a sign or banner (provided by the City) indicating participation in the Central Business District Historic Building Restoration and Improvement Grant Program. The sign shall be displayed either on the exterior or in the front window of the building for a period of thirty (30) days.
8. **City Access to Building.** Applicants agree to allow the City or its agents access to buildings and improvements, when convenient for all parties, for inspection of the Central Business District Historic Building Restoration and Improvement Grant Program work.
9. **Work Payment and Personnel.** In accordance with the terms of this Agreement, the Applicants shall hire all personnel and pay for all labor, materials, tools, transportation, services, City licenses and permits necessary to perform or cause to have performed, and all work as specified in the Application. Applicants are aware of Labor Code Section 3700, which requires worker's compensation insurance or self insurance for employees.
10. **Time Period for Work.** Upon the signing of this Agreement, the Applicants shall have a period of ninety (90) days in which to take out a building permit. Work shall commence within sixty (60) days of the approval date of the building permit and be completed within twelve (12) months thereafter. Extensions, if warranted, may be granted at the discretion of the City. No change to work without the written consent of both the City and Applicants will be permitted.
11. **Notice and Compliance with Laws.** The Applicants shall give all notices required and comply with all applicable laws, ordinances and codes and shall, at their expense, secure and pay all said fees and charges for the performance of the work.

12. **No City Liability.** Applicants understand and agree that the City and their officers, agents, and employees, shall have no responsibility or liability of any failure or inadequacy of performance or defective workmanship or materials in regard to the agreed-upon improvements.
13. **Proper Use of Hotel/Motel Tax Revenues.** Applicants acknowledge that they are aware that the money being provided to them through this agreement comes from the City's Hotel/Motel Tax revenues; and Applicants further acknowledge and agree that they have independently determined that the project contemplated by this agreement and the submitted application complies with the State law regarding the use and application of such money, as set forth in the Texas Tax Code at Chapter 351, Section 351.101 and, in particular, that the project will enhance and promote tourism by attracting visitors from outside the City and the project will enhance the historical restoration, rehabilitation, or preservation of a historic structure. Applicants further acknowledge and agree that, if the project is determined at any time not to comply with Chapter 351 of the Texas Tax Code, any and all money acquired from the City by Applicants for this project shall be immediately and fully reimbursed to the City.

II. GENERAL TERMS

Assignment of Agreement

No assignment by a party hereto of any rights under or interests in the Agreement will be binding on another party hereto without the written consent of the party sought to be bound and, unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

INDEMNIFICATION

Applicants shall indemnify, release, defend and hold City, their officers, employees and agents, harmless from all claims, losses, liabilities, damages, suits, actions or proceedings by any person including Applicants, their employees and agents from personal injury, death or property damage from any cause whatsoever in whole or in part arising out of this Agreement or the activities completed hereunder by this indemnification shall not include the sole negligence or willful misconduct of City, their officers, employees or agents.

Successors and Assigns

City and Applicants each bind themselves, their partners, successors, assigns, and legal representatives to the other parties hereto, their partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in this Agreement.

Severability and Conflict

Any provision or part of the Agreement held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and the Applicants, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

Captions

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Choice of Law: Venue

This Agreement, the entire relationship of the parties, and any litigation between the parties (whether grounded in contract, tort, statute, law or equity) shall be governed by, construed in accordance with, and interpreted pursuant to the laws of the State of Texas, without giving effect to its choice of laws principles. This Agreement is wholly performable in Grayson County, Texas. Exclusive venue for any litigation between the parties shall be brought in Grayson County, Texas, and shall be brought in the State District Courts of Grayson County, Texas, or in the United States District Court for the Eastern District of Texas. The parties waive any challenge to personal jurisdiction or venue (including without limitation a challenge based on inconvenience) in Grayson County, Texas, and specifically consent to the jurisdiction of the State District Courts of Grayson County, Texas, or in the United States District Court for the Eastern District of Texas, Sherman Division.

Binding Authority

By their signatures below, the individuals represent that they have reviewed this Agreement with their attorney and that the individuals have the express authority to enter into this Agreement.

Entire Agreement

This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of both the parties to be attached to and made a part of this Agreement.

IN WITNESS WHEREOF, City and the Applicants have signed this Agreement in duplicate. One counterpart each has been delivered to City and the Applicants. All portions of the Agreement have been signed or identified by City and the Applicants or on their behalf.

EXECUTED on this the _____ day of _____, 2015.

CITY OF SHERMAN, TEXAS:

APPLICANTS:
KELLY SQUARE, INC.

By: _____
Robby Hefton, City Manager

By: _____
Name: Robert W. Minshew
Title: President
Address: P. O. Box 758
Sherman, Texas 75091
Phone: 903.868.0545

APPROVED AS TO FORM
AND CONTENT:

By: _____
Brandon S. Shelby, City Attorney



**CITY OF SHERMAN
CENTRAL BUSINESS DISTRICT HISTORIC
BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM**

GUIDELINES AND POLICIES

The Building Restoration and Improvement Grant Program is designed to stimulate improvements to existing historically significant buildings in the Central Business District of the City of Sherman, Texas, to promote tourism, to enhance the physical appearance and economic vitality of downtown Sherman, and to promote joint public/private investment to complement ongoing historical revitalization efforts.

Program Objectives and Available Assistance

- To make positive, high-impact visual improvements to historically significant commercial buildings by providing an overall enhanced image for downtown Sherman, thereby attracting visitors to shop, dine, and do business in the Central Business District
- To provide a maximum of \$25,000.00 per project as a matching monetary incentive, a grant packaged as a forgivable loan with a conditional lien placed on the subject property, to the owners of historically significant commercial properties in the Central Business District for high-quality improvements to their properties
- In all cases, the applicant must provide matching funds at a ratio of four to one (4:1); meaning that, for every \$4.00 the applicant invests in the renovation or improvement of the subject property, the City will reimburse \$1.00 of qualified expenditures, up to the maximum grant authorized by the City Council not to exceed \$25,000.00 per project

Eligibility Requirements

- Assistance under this program will be considered subject to the availability of funding.
- Historic buildings within the downtown improvement area (map attached) that are of a commercial, retail, service, or professional use are eligible to participate in the program.
- For mixed-use historic buildings, only the portion of the building that is commercial, retail, service, or professional is eligible.
- The building to be improved must have historical significance either from an architectural point of view or a historical use or event that would tend to attract tourists to the buildings location.

Minimum Guidelines

- Buildings improved with funds from this program must remain open, operative, and free of graffiti and blight for a period of five (5) years from the date of agreement and until the lien is released.
- Tax payments for the subject property shall be up-to-date at the time of application and kept current throughout the five-year grant period.

- Outstanding work orders for the City's Developmental Services Department and/or the City's Fire Department and requests to comply therewith must be addressed prior to grant approval. Any noncompliance or outstanding violations will disqualify the applicant.
- **Grants will be approved at the sole discretion of the City.**
- To be accepted into the program, projects must make a substantial visible improvement to the appearance of the building, at the discretion of City staff. Repainting a building its same colors is considered maintenance, not an improvement.
- Building improvements should maintain the character of the downtown area; and the design drawings must be approved by the City in order to access funding for improvement.
- Improvements to be undertaken shall conform to the City's Codes and any other policies and regulations applying to the subject property.
- **Retroactive applications will not be accepted.** Applicants must consult with City staff before work begins to define a project scope.
- Program funds shall be made available only to projects that enhance and are sensitive to the historical nature of the structure.
- For properties with multiple storefronts, it is recommended that the façade treatment provide a cohesive theme while also allowing for some distinctive design elements to the various businesses, such as signage, exposing transom windows, lighting, flower boxes, murals, etc., to provide better street visibility and promote economic development downtown.
- For corner buildings fronting more than one street, improvements must be made to each frontage if determined necessary by City staff.

Application Prioritization

Funding is limited, and project applications will be prioritized on a first-come, first-served basis.

Eligible Improvements

Eligible improvements must be permanent in nature as determined exclusively by the City of Sherman. All improvements must be consistent with the City of Sherman Master Plan, Zoning Ordinance, Building Regulations, and other applicable laws. Eligible costs include the cost of materials, equipment, and contracted labor to complete eligible improvements, including, but not limited to, the following:

- New commercial or mixed-use construction
- Commercial code compliance renovations
- Permanent commercial interior remodeling improvements
- Permanent commercial site (exterior) improvements
- Compliance with Americans with Disabilities Act (ADA) for commercial properties
- Work necessary to bring the structure up to life-safety code standards
- Installation, repair, and replacement of exit (exterior) doors and hardware
- Repair, replacement, or addition of exterior shutters and awnings/canopies
- Repair, replacement or purchase of signs (when performed as part of an overall façade improvement)
- Repair and replacement or installation of interior and exterior stairs, porches, railings, and exit facilities
- Repair and rebuilding of interior and exterior walls, including cleaning, sealing, tuck pointing and painting

- Repair or replacement of frames, sills, glazing, replacement of glass and installation of new windows
- Installation of permanently affixed landscaping, such as stone or brick planters
- Installation, repair, or replacement of exterior lighting
- Mechanical, including rewiring, replumbing, insulation, mechanical systems/climate control

The City will prioritize projects. Consideration will be given to (1) threats to the survival of the structure, (2) importance of the structure to the overall goals of the program, (3) structural integrity and condition, and (4) cost effectiveness of the proposed work. In determining the grant amount, the City will also consider the time required to complete the project. Applicants are requested to limit their requests to projects that can be completed in a twelve (12) month period.

Ineligible Improvements

- No structural addition that would enlarge the residential (livable) space of the project is to be financed with these funds – nor an area not originally a livable space made livable.
- Residential structures
- Real estate or building purchases
- Furnishings and equipment purchases
- Working capital
- Inventory financing
- Title reports and legal fees
- Professional fees such as architects, engineers, and solicitors
- Labor provided by the Applicant or tenant of the building
- Extermination of insects, rodents, vermin and other pests
- Improvements that do not comply with City of Sherman Master Plan, Zoning Ordinance, Building Regulations, and other applicable laws
- Expenses incurred prior to grant application approval. Improvements cannot be undertaken before grant application approval.

Property Lien

Once the work is completed, the City will record a conditional lien on the property to ensure that the property improved with funds from this program remains open, operative, and free of graffiti and blight for a period of five (5) years from the date of agreement. If the Applicant fails to maintain the funded improvements for the entire five-year period, the City will recover its costs through the lien. If the Applicant satisfactorily fulfills the program requirements, the lien will be released at the end of five (5) years from the date of agreement.

Application Process

Program Application and Agreement forms are available in the City Manager's Office in the Sherman City Hall, 220 West Mulberry Street, Sherman, Texas 75091-1106, telephone (903) 892-7201. The application process is as follows:

- After reviewing the program guidelines, the Applicant will meet with City staff to discuss the desired work to be undertaken. If the proposed work is within the program guidelines, as determined exclusively by City staff, a completed application is submitted to the City. Written bids, sketches, color samples, and material supplies should be included.
- The Applicant is responsible for submitting plans and specifications to the City and obtaining all required planning and building permits, and any other applicable approvals, with the assistance of City staff.
- The Sherman City Council will consider the recommendations made by the City staff and will make its decision in a public meeting. The Council's decision will be made by adopting a resolution, which will authorize the City Manager to enter into a grant agreement with the Applicant.
- With the Council's authorization, the City Manager will cause the necessary documents to be drawn up and will sign the grant agreement.
- Upon approval, the City will send a "Notice to Proceed" to the Applicant. The Applicant may proceed with the planned building improvements pursuant to the approved design and issued permits. All payments for the work should be made by the Applicant and supported by clearly defined invoices outlining eligible work. Work shall commence within ninety (90) days of the approval date of the building permits. Extensions may be granted solely at the discretion of City staff.
- City staff will monitor the ongoing progress during construction to ensure that the work is performed according to the approved application and plans. No changes to work shall be made without the written consent of both the Applicant and the City. Approved "Change in Work" forms will be attached to the original application, dated and signed by the City Manager.
- Deviations from approved plans and specifications may disqualify the Applicant from this grant program.
- Once the work is completed, the City will record a conditional lien, good for five (5) years, on the subject property to be released upon completion of the program requirements.
- Funds will be disbursed upon completion of the project. City staff will conduct a final inspection before the grant funds will be disbursed to the Applicant. A Certificate of Approval will be issued to the Applicant.
- Reimbursement claims for all eligible expenses must be submitted with the following supporting documents.
 - A completed Rebate Claim form supplied by the City of Sherman
 - Any applicable planning and building permits
 - Cancelled checks and paid invoices/receipts for eligible work

After final approval of the improvements, the rebate reimbursement will be processed. Allow thirty (30) days for receipt of the rebate check.

- After the work is completed, Applicant shall display a sign or banner (provided by the City) indicating participation in the City of Sherman Central Business District Historic Building Restoration and Improvement Grant Program. The sign or banner shall be displayed either on the exterior or in the front window of the building for a period of thirty (30) days.

Loan Applications

The loan application requires:

- Information summarizing the project, including complete construction plans and specifications
- The project cost and the amount of other dollars being brought to the project
- Preliminary commitment of private funds
- Specific uses of all funds
- Current financial and/or profit and loss statements
- Amount of grant requested and proposed term being requested
- Current lien/title report on the subject property

All applications must be made on forms provided by the City of Sherman. For further information, please contact:

George Olson
City Manager
City of Sherman

Scott Shadden
Developmental Services Director
City of Sherman

Physical Address:
Sherman City Hall, City Manager's Office
220 West Mulberry Street
Sherman, Texas 75090

or

Mailing Address:
P. O. Box 1106
Sherman, Texas 75091-1106

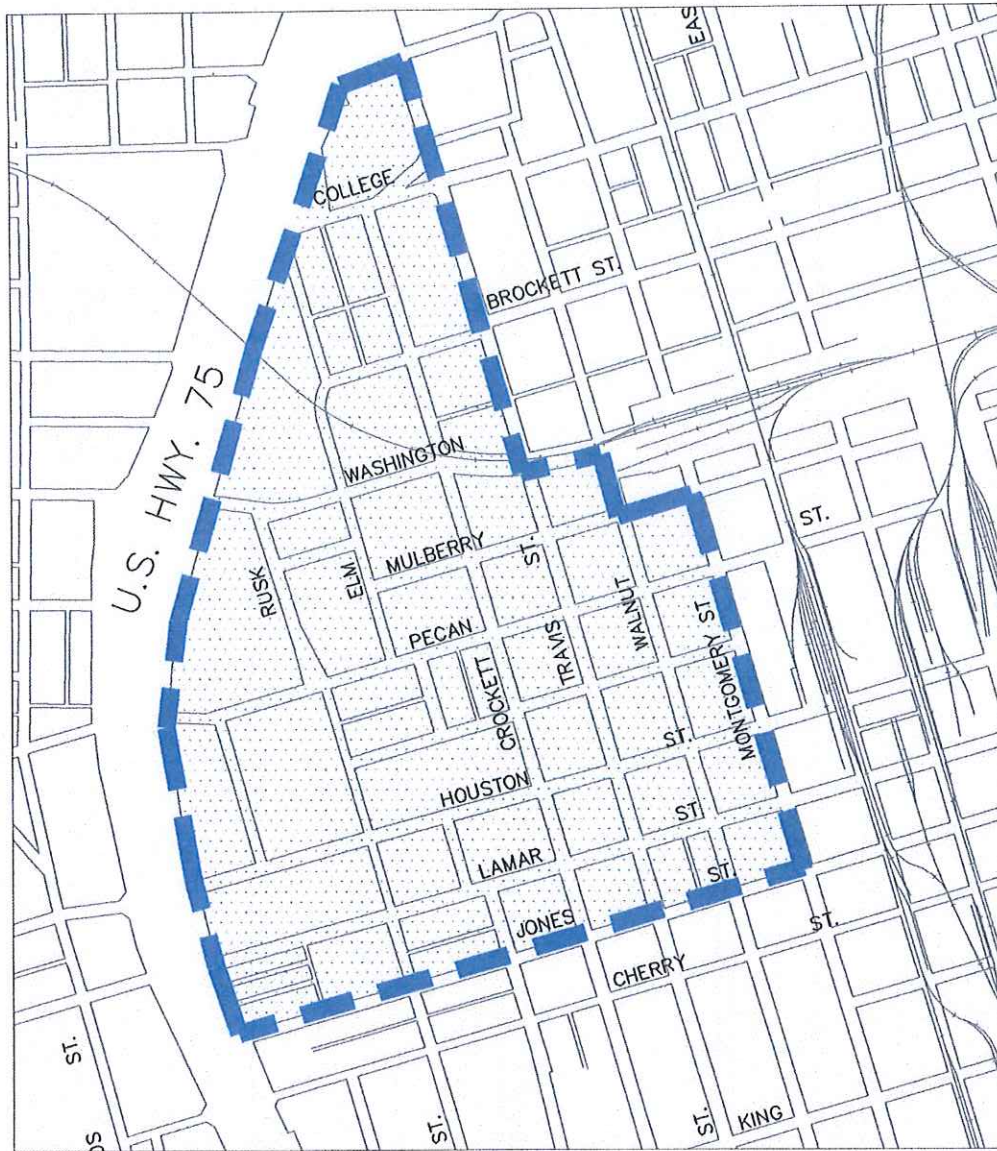
Telephone: (903) 892-7201
Facsimile: (903) 892-7355
E-Mail: georgeo@ci.sherman.tx.us

Physical Address:
Sherman City Hall, Building Inspection
220 West Mulberry Street
Sherman, Texas 75090

or

Mailing Address:
P. O. Box 1106
Sherman, Texas 75091-1106

Telephone: (903) 892-7333
Facsimile: (903) 892-7274
E-Mail: scotts@ci.sherman.tx.us



CITY OF SHERMAN, TEXAS
CENTRAL BUSINESS DISTRICT
HISTORIC BUILDING RESTORATION
AND IMPROVEMENT GRANT PROGRAM
Department of Developmental Services





**CITY OF SHERMAN
CENTRAL BUSINESS DISTRICT HISTORIC
BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM**

Submission Requirements

It is strongly recommended that all Applicants carefully review the "City of Sherman Central Business District Historic Building Restoration and Improvement Grant Program Guidelines and Policies" prior to completing an application.

It is also recommended that Applicants discuss their proposed improvements and any questions regarding the submission requirements with the Developmental Services Department and the City Manager's Office prior to completing the application form.

Please ensure that the following items have been included in your submission. Failure to provide the necessary documentation will delay the processing of your application.

Application Checklist:

- ☒ Copy of deed included
- ☒ Copy of mortgage (if applicable) included
- ☒ Description of proposed improvements – designs/drawings attached
- ☒ Pictures attached
- ☒ Estimate of costs/quotes or other details
- ☒ Signature of owner/authorized agent
- ☒ Application complete
- ☒ Are improvements in compliance with the City of Sherman Master Plan, Zoning Ordinance, Building Regulations, and other applicable laws?
- ☒ All material, pictures, drawings, newspaper articles, original deeds, etc. that will help identify the building as a historically significant structure through architectural design, building use or events that have taken place in or around it.
- ☒ Architectural and elevation renderings.



CITY OF SHERMAN
City Manager's Office
220 West Mulberry Street
Sherman, Texas 75090
Tele: (903) 892-7201 Fax: (903) 892-7355

FOR OFFICE USE ONLY

File # _____

Assessment Role Number _____

Assessed Property Value _____

Property Address _____

Date Application Received _____

Date Application Completed _____

CENTRAL BUSINESS DISTRICT HISTORIC
BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM

Application

The information requested below will be used to process your application under the terms and conditions of the City of Sherman's Historic Building Restoration and Improvement Grant (Forgivable Loan) Program.

I. Applicant Information

1. Applicant(s) name: Kelly Square, Inc
Mailing address: PO Box 758
City: Sherman, TX State: TX Zip: 75091
2. Applicant's daytime telephone number: 903-8680545
Cell # (903) 814-3905 Facsimile # (903) 8680548
E-mail address: rminsnew@Kennedyminsnew.com
3. Status of applicant (please check one)
☐ Property owner with vacant facility
☒ Property owner with tenant business
☐ Property owner/operator of existing business on property
☐ Property tenant with property owner consent
4. Owner of property is a/an (please check one)
☐ Individual
☐ Partnership (attach copy of Partnership Agreement)
☒ Corporation/profit (attach copy of Articles of Incorporation)
☐ Corporation/nonprofit (attach list of officers and directors)
☐ Trust (attach copy of Trust Agreement)
☐ Other
5. Length of ownership: Since 1983
Date purchased: 1983. deeded to Corp 1992

II. Property Information

1. Address of property to be improved:
115 S. TRAVIS ST
Sherman, TX 75090
2. Legal description of subject property:
see attached
3. Tax Assessor Parcel Number(s):
R 161885
4. Year built: 1870 Square footage: 14,000 x 3 (3 levels)
5. Is this a National Register building? Yes ___ No ☒ (check one)
Is this a building of known historical significance? Yes ☒ No ___ (check one)
locally only for you - not nationally
6. What are the current types of businesses occupying the building?
shops; offices; restaurant
7. Name and phone number of tenant(s), if applicable: _____
(Attach additional names/numbers, if needed)
8. Use of building after construction: same as present
9. Number of parking spaces provided: _____ Proposed: _____ Total: 12
10. Current zoning: C-1
11. Is a zoning amendment required? Yes ___ No ☒ (check one)
12. Attach architectural and elevation renderings.

III. Project Description

1. Description of Proposed Improvements. Please provide a detailed description of your proposed improvements. Attach a copy of your architectural or design plans. Identify the materials to be used, such as the type of paint or stain (i.e., exterior latex, color, etc.). Include details of new signs or awnings, etc. Provide color photos of the subject property and those adjacent prior to and after the improvements are made.

Please note: Applicants should carefully review the "City of Sherman Central Business District Historic Building Restoration and Improvement Grant Program Guidelines and Policies", and discuss all proposed improvements with the City of Sherman's Developmental Services Department prior to completing this application. It is also

recommended that Applicants discuss their proposed improvements and any questions regarding the submission requirements with the Developmental Services Department and the City Manager's Office prior to completing the application form.

Description: extension of existing balconies - add
21 feet of new balcony to join; please move
sign up to clear bedroom;

☒ Designs Attached

☐ Before Picture(s) Attached

2. How many jobs will be **retained** once the project is completed? approx 50 full time
_____ Full-time positions _____ Part-time positions
3. How many **new positions** will result from this project? unknown
_____ Full-time positions _____ Part-time positions

IV. Work Estimates

Please attach two (2) independent contractor estimates for each component of the proposed improvement. Please note that grant/forgivable loan funding shall be based on the lowest bid. Eligible costs shall be the cost of materials, equipment, and contracted labor to complete eligible improvements. Professional fees such as architects, engineers, and solicitors are not eligible costs. Labor provided by the Applicant or tenant of the building is not an eligible cost.

1. Name/Company and Phone Number of Preferred Contractor:
Classic Elevator Co (built existing balconies)
Amount: 10,650
2. Name/Company and Phone Number of Second Contractor:
North Star Signs (to relocate signs)
Amount: 2990⁰⁰
3. Additional Estimates/Comments: (Please attach additional quotes, as required)

4. Total estimated costs of your improvements: 13,640⁰⁰

5. Estimated completion date for your improvements? 30 days

V. **Historic Significance**

The City's Program for improving the historic buildings of downtown Sherman is being funded through the City's Hotel/Motel Tax revenues, which require that this money may be spent only on historic buildings that would tend to attract tourists. Many factors may indicate a building's historic significance such as age, architectural design, building use, events or significant people. Some of this may be proved through deeds, pictures, books, newspaper articles and the like. Attach to this application all matters that would prove your claim that this is a historic building.

VI. **Signature of Owner/Authorized Agent – Affidavit or Sworn Declaration**

I/We, Robert W. Minschew, of the City of Sherman, County of Grayson, State of Texas, make oath and say (or solemnly declare) that the information contained in this application is true and that the information contained in the documents that accompany this application in respect of the application is true.

I/We hereby authorize inspections of my/our property to be improved.

I/We acknowledge that any work carried out prior to written confirmation of grant approval may not be eligible.

I/We acknowledge receiving, understanding, and accepting the terms and conditions of the City of Sherman Central Business District Historic Building Restoration and Improvement Grant Program.

Sworn to (or declared before me), Robin Willeford, a Notary Public in and for the State of Texas, on this the 26 day of FEB, 20 15.

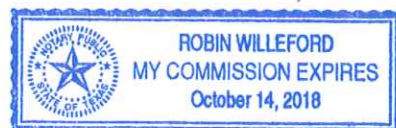
[Signature]
Applicant

Co-Applicant

Kelly Square, Inc.
Property Owner (if different from Applicant)

Robert Minschew, Pres.

Robin Willeford
Notary Public, State of Texas
My Commission Expires: 10.14.18



VII. Consent of the Owner to the Use and Disclosure of Personal Information

I/We, Robert W. Minshew / Kelly Square, Inc.,
am the owner of the land that is the subject of this Application and, for the purposes of the
Freedom of Information and Protection of Privacy Act, I/we authorize and consent to the use by
or the disclosure to any person or public body of any personal information that is collected under
the authority of the _____ for the purposes of processing this application.

2-26-15
Date

[Signature]
Signature of Owner(s)

VIII. Authorization for Agent *(complete only if Applicant is not the registered Owner)*

I/We, _____,
the Owner(s) of the subject property, have reviewed and understand the guidelines and policies
for the City of Sherman Central Business District Historic Building Restoration and Improvement
Grant Program, including the requirement of a conditional property lien, and hereby authorize
_____ (Agent) to act on my/our behalf with respect to the
application.

Date

Signature of Owner(s)

Note: Information provided in this application will become part of a public record.

FOR OFFICE USE ONLY (Entire Page)

	Staff Initials	Comments
Ownership Confirmed		
Property Taxes Paid in Full		
Work Order Search (Building)		
Fire Code Conformity		
Master Plan Conformity		
Zoning Conformity		
Building Regulations Conformity		
Copy of Deed Attached		
Copy of Mortgage Attached		
Proof of Historical Significance		
Architectural Renderings		
Elevation Renderings		



**CITY OF SHERMAN
CENTRAL BUSINESS DISTRICT HISTORIC
BUILDING RESTORATION AND IMPROVEMENT GRANT PROGRAM**

Rebate Claim Form

Program Participant(s): _____

Project Address: _____

Interior Improvements:

Type:

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Sub-Total	\$ _____

Exterior Improvements:

Type:

_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Sub-Total	\$ _____

Total Rebate Amount (per Program Guidelines): \$ _____

I/We hereby make a formal claim for reimbursement of the above-indicated expenses incurred in improving the interior and exterior of the subject property under the City of Sherman Central Business District Historic Building Restoration and Improvement Grant Program. I/We certify that the expenses incurred are as listed and have attached invoices marked "paid" and copies of cancelled checks in support of the claim.

Date: _____

Applicant

Applicant

NorthStar Signs

209 S. TRAVIS
SHERMAN, TEXAS 75090
PHONE: 903-771-0720

EMAIL:
northstarsignstx@gmail.com

Estimate

Date	Estimate #
2/11/2015	142

Name / Address
KELLY SQUARE ATTN: BOB MINSHEW PO BOX 758 SHERMAN, TEXAS 75091

SIGNS ARE
WARRANTED UNDER
NORMAL CONDITIONS.

TXSMEL#131792

TEXAS ELECTRICAL SIGN
CONTRACTOR LICENSE #18680

Project

Description	Qty	Rate	Total
REMOVAL OF EXISTING SIGN TO MOVE TO NEW LOCATION ON BUILDING TO INCLUDE: SCHRAFF CRANE RENTAL TO LIFT SIGN UP AND OVER POWER LINES, NORTHSTAR CRANE TO REMOVE AND INSTALL SIGN AT NEW LOCATION, NEW ELECTRICAL RAN, NEW STEEL PLATES AND ANGLE IRON. SCHRAFF CRANE CHARGE IS \$690.00 NORTHSTAR CHARGE IS \$2,300.00 50% DOWN TO NORTHSTAR SIGNS, BALANCE UPON COMPLETION.	1	2,990.00	2,990.00

Thank you for your business.

Subtotal \$2,990.00

CUSTOMER
RESPONSIBLE FOR ALL
PRIMARY
WIRING TO SIGNAGE
FROM BREAKER BOX.

SIGNATURE _____

Sales Tax (8.25%) \$0.00

DATE _____

Total \$2,990.00

Classic Elevator Company

1301 N Heritage Pkwy #24F
Sherman, Texas 75092
(903) 421-8133

Sales Receipt

To:
Kelly Square
Attn: Bob Minschew
115 S. Travis St.
Sherman, TX 75090

Purchase Order No: 15-01

Project:
Kelly Square Balcony Renovations
Sherman, TX 75090

Thank you for asking me for this bid.

I agree to furnish all steel and erect same according to your engineer's plans and specifications for a center balcony at Kelly Square. This also includes 12 ea- 1"x1"x 20' angles as instructed by Mike Wible. This does not include the previous balconies or deck for this project.

Total Price.....\$10,650.00

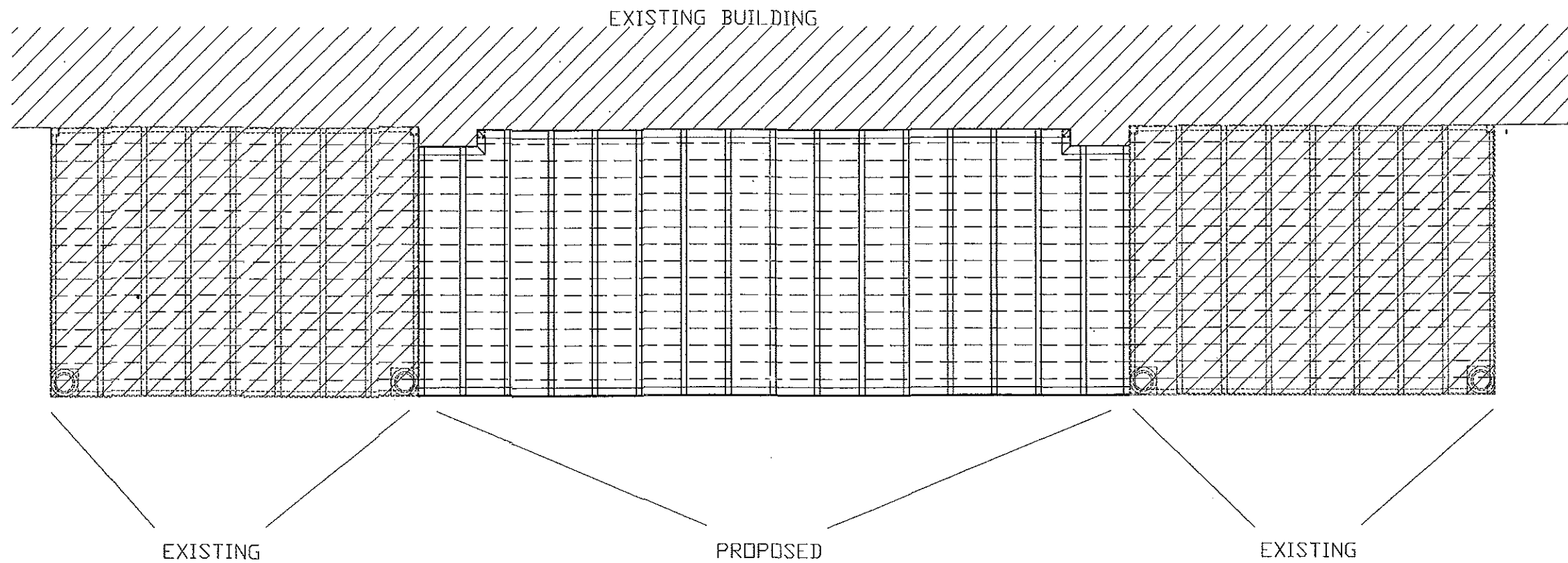
Paid Date: _____ Check #: _____

Thank You,

Classic Elevator Company

By: David Spears
dba
Classic Elevator Company
301 N Heritage Pkwy 24F
Sherman, TX 75092

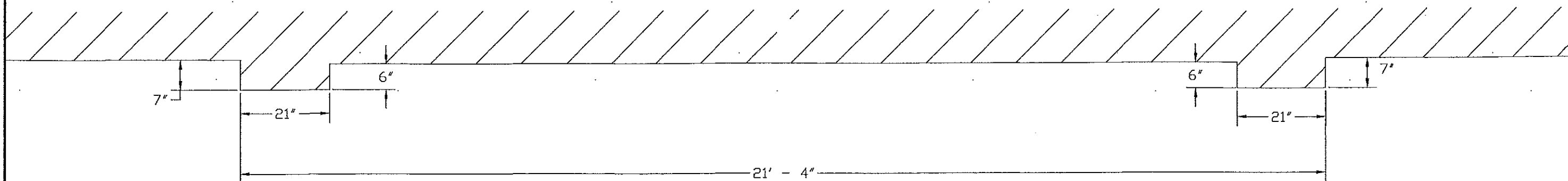
Date: _____



TIMOTHY L. MORRIS, P.E.
 SHERMAN 903-436-0745 TEXAS

BALCONY ADDITION
 FOR KELLY BUILDING
 115 S. TRAVIS STREET
 SHERMAN, TEXAS

SCALE
 SCALE SHOWN
 DATE
 FEB 2015
 SHEET
 1/4



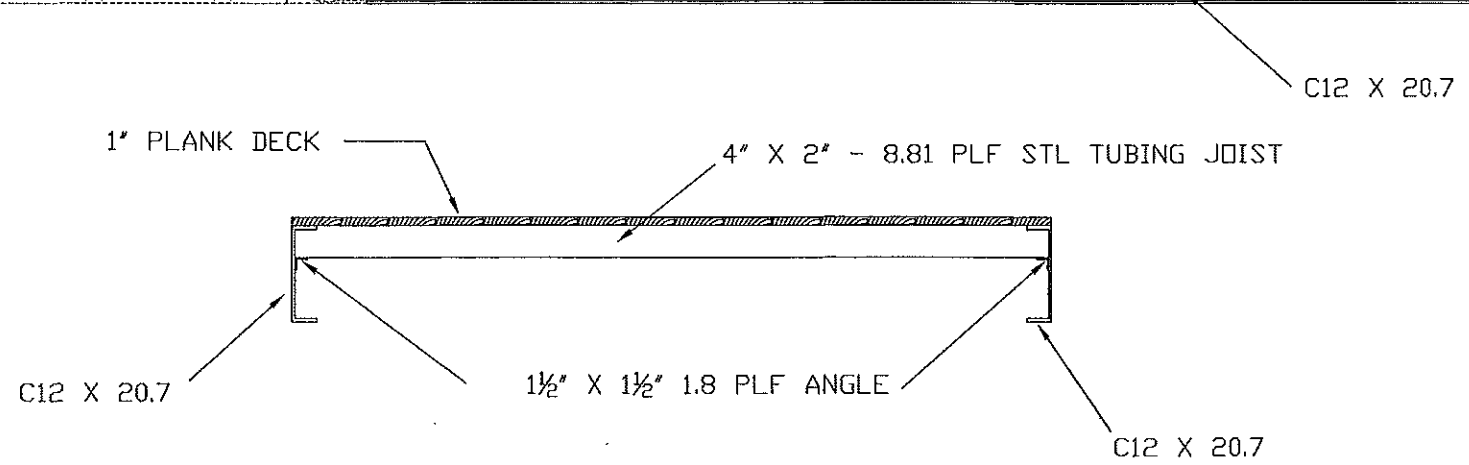
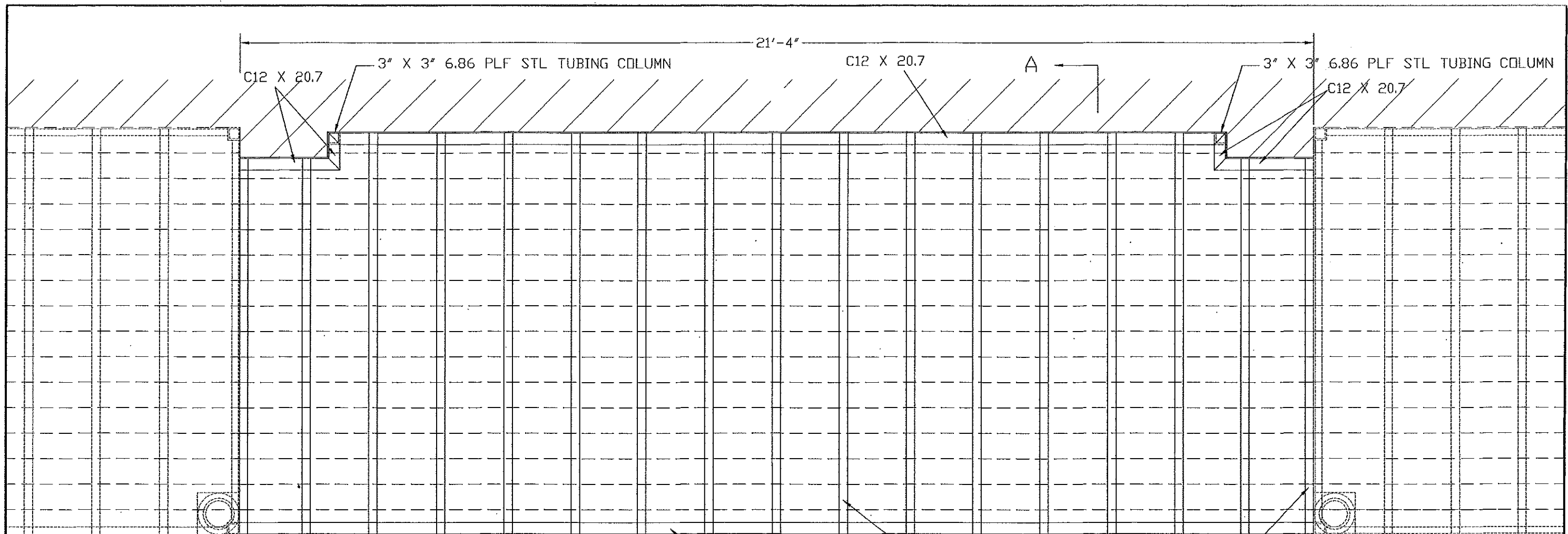
APPROXIMATE DIMENSIONS AT BUILDING
CONFIRM BEFORE FABRICATION.



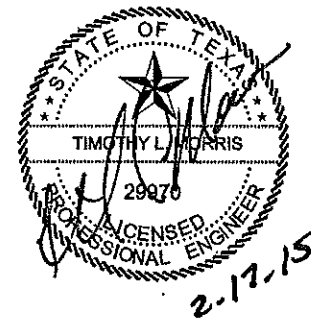
TIMOTHY L. MORRIS, P.E.
SHERMAN 903-436-0745 TEXAS

BALCONY
FOR KELLY BUILDING
115 S. TRAVIS STREET
SHERMAN, TEXAS

SCALE SCALE SHOWN
DATE FEB 2015
SHEET 2/4



FILLET WELD ALL STEEL MATING SURFACES EXCEPT AS NOTED.



TIMOTHY L. MORRIS, P.E.
 SHERMAN 903-436-0745 TEXAS

BALCONY ADDITION
 FOR KELLY BUILDING
 115 S. TRAVIS STREET
 SHERMAN, TEXAS

SCALE
SCALE SHOWN
DATE
FEB 2015
SHEET
3/4

USE 3 EA 3/4" A307 BOLTS
IN 13/16" DRILLED HOLE.
UNTHREADED SHAFT SHALL
PENETRATE SHEAR PLANE.

BOX END OF 12 C 20.7

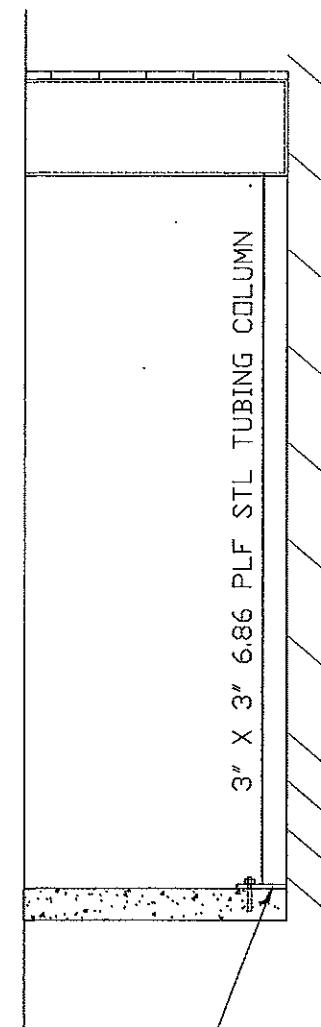
ADD 10" X 12" X 1/2" WEB STIFFENER

WELD AT FLANGES

3" X 3" 6.86 PLF STL TUBING COLUMN

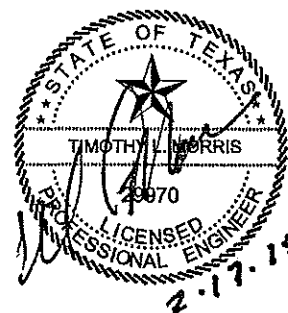
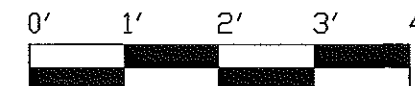


CONNECTIONS AT EXISTING AND PROPOSED SECTIONS
TYPICAL BOTH ENDS



1/2" X 6" SQ STL BASE PLATE
W/ 1/2" ANCHOR BOLT

COLUMN



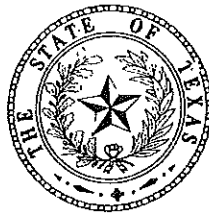
TIMOTHY L. MORRIS, P.E.
SHERMAN 903-436-0745 TEXAS

BALCONY ADDITION
FOR KELLY BUILDING
115 S. TRAVIS STREET
SHERMAN, TEXAS

SCALE
SCALE SHOWN
DATE
FEB 2015
SHEET
4/4







The State of Texas

Secretary of State
SEP. 28, 1992

RECEIVED OCT 1 1992

VICKY L. MULLICAN-KENNEDY, MINSHEW, CAMPBELL
320 NORTH TRAVIS ST. STE. 207 BOX 758
SHERMAN, TX 75091-0758

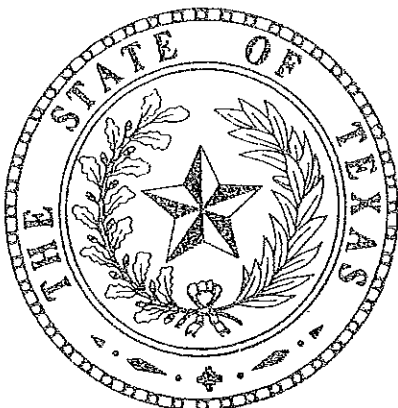
RE:
KELLY SQUARE, INC.
CHARTER NUMBER 01246024-00

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

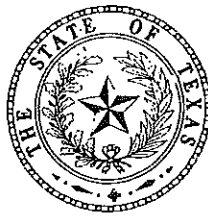
AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.

VERY TRULY YOURS,



John Hannah Jr.
Secretary of State



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

KELLY SQUARE, INC.
CHARTER NUMBER 01246024

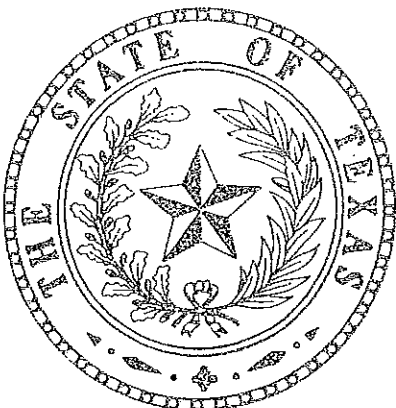
THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE
ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE
FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE
OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE
THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF
ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW,
THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED SEP. 28, 1992

EFFECTIVE SEP. 28, 1992



John Hannah Jr.
Secretary of State

ARTICLES OF INCORPORATION OF

SEP 28 1992

KELLY SQUARE, INC.

Corporations Section

I, the undersigned, a natural person of the age of eighteen years or more and a citizen of the State of Texas, acting as incorporator of a corporation under the Texas Business Corporation Act, hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is Kelly Square, Inc.

ARTICLE TWO

The period of its duration is perpetual.

ARTICLE THREE

The purpose or purposes for which the corporation is organized is the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act.

ARTICLE FOUR

The aggregate number of shares which the corporation shall have authority to issue is 1,000 shares of the par value of \$1.00 each.

ARTICLE FIVE

The corporation will not commence business until it has received for the issuance of its shares consideration of the value of One Thousand Dollars (\$1,000.00), consisting of money, labor done, or property received, which sum is not less than One Thousand Dollars.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th
day of September, 1992.

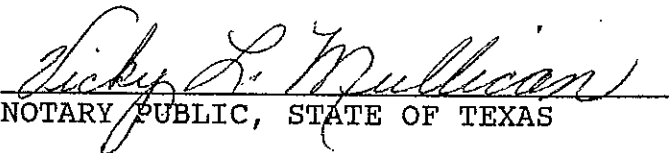
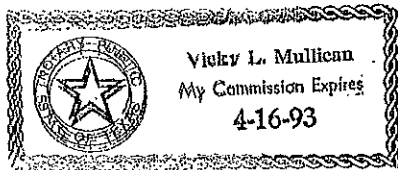


Robert W. Minshew, Incorporator

STATE OF TEXAS

COUNTY OF GRAYSON

I, the undersigned Notary Public, do hereby certify that on this 24th day of September, 1992, personally appeared before me Robert W. Minshew, who, being by me duly sworn, declared that he is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.


NOTARY PUBLIC, STATE OF TEXAS

016011

STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

KNOW ALL MEN BY THESE PRESENTS

WARRANTY DEED

That we, ROBERT W. MINSHEW and wife, RUTH A. MINSHEW of the County of Grayson and State of Texas, for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS and other valuable consideration to the undersigned paid by the grantee herein named, the receipt of which is hereby acknowledged, for which no lien is retained either express or implied, have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY unto KELLY SQUARE, INC., a Texas corporation, whose address is 115 South Travis, Sherman, Grayson County, Texas, all of the following described real property in Grayson County, Texas, to-wit:

BEING three tracts of land as more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes.

The warranties of this conveyance are SUBJECT TO all valid outstanding oil, gas and mineral interests of every kind and nature heretofore conveyed, excepted or reserved, if any, as well as all easements, rights-of-way and building or use restrictions now of record in the Office of the County Clerk of Grayson County, Texas, which affect the property conveyed hereby.

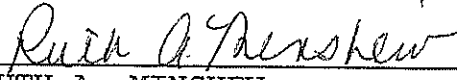
FURTHER, this conveyance is made SUBJECT TO and the Grantee herein does not assume the payment of any indebtedness secured by lien(s) upon the above described property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said grantee, its heirs and assigns forever; and we do hereby bind ourselves, our heirs, executors and administrators to WARRANT AND FOREVER DEFEND all and singular the said premises unto the said grantee, its heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED this 29th day of September, 1992.



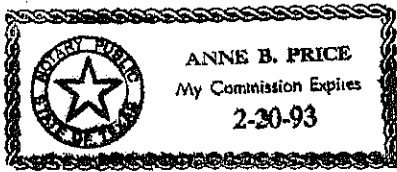
ROBERT W. MINSHEW



RUTH A. MINSHEW

STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

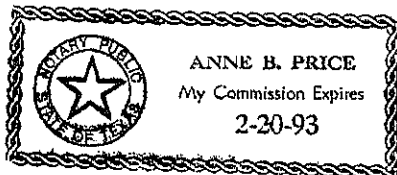
This instrument was acknowledged before me on the 12th day of October, 1992, by Robert W. Minshew.



Anne B. Price
NOTARY PUBLIC, THE STATE OF TEXAS

STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 12th day of October, 1992, by Ruth A. Minshew.



Anne B. Price
NOTARY PUBLIC, THE STATE OF TEXAS

EXHIBIT "A"

Tract One:

Located in the City of Sherman, Grayson County, Texas, and described as follows:

BEGINNING on the East line of South Travis Street in the West line of Lot Four (4) in Block Five (5) of the Original Town Plat of Sherman, Texas, and in the center of a brick wall at the Southwest corner of the property conveyed by Mrs. Edna Vowell et al to C.A. Kelly by deed dated January 27, 1923, recorded in Vol. 294, Page 618, Deed Records, Grayson County, Texas, hereinafter "the Vowell tract";

THENCE North 16 deg. West along the East line of South Travis Street and the West line of said Lot 4 a distance of 30 feet, more or less, to the Northwest corner of the Vowell tract and of said Lot 4;

THENCE North 74 deg. East a distance of 150 feet, more or less, along the North line of the Vowell tract and of said Lot 4 to the Northeast corner of the Vowell tract and said Lot 4;

THENCE South 16 deg. East a distance of 30 feet, more or less, along the East line of the Vowell tract and said Lot 4 to the Southeast corner of the Vowell tract in the center of said brick wall;

THENCE South 74 deg. West a distance of 150 feet, more or less, along the South line of the Vowell tract and the center of said brick wall to the place of beginning;

LESS AND EXCEPT such of the rights, title and interests as affect the above-described property which were conveyed by deed from W.C. Eubank and others (including C.A. Kelly) to the City of Sherman, Texas, dated April 3, 1923, recorded in Vol. 298, Page 253, Deed Records, Grayson County, Texas.

Tract Two:

Situated in the City of Sherman, County of Grayson, being a part of Lots 4 and 5, of Block 5, of the Original Town Plat to the City of Sherman, as shown by plat of record in Vol. B, Page 1, Deed Records, Grayson County, Texas, and being the same tract of land conveyed by Donald M. Shipman and Linda L. Shipman to Davis Moberly and Robert W. Minshew, by deed recorded in Vol. 1628, Page 393, said Deed Records, and being described by metes and bounds as follows, to-wit;

BEGINNING at a point in the East line of South Travis Street at the Southwest corner of said Lot 5, Block 5, at the intersection of the center of a party wall running Easterly;

THENCE North 16 deg. 00 min. West with the East line of South Travis Street, at 50.7 feet passing the Northwest corner of said Lot 5 common to the Southwest corner of said Lot 4 and continuing for a total distance of 70.7 feet to a point at the intersection of a party wall running Easterly;

THENCE North 74 deg. 00 min. East 20 ft. North of and parallel with the South line of said Lot 4, a distance of 140.00 feet to a point in the West line of a 10 ft. wide alley;

THENCE South 16 deg. 00 min. East with the West line of said 10 ft. wide alley, a distance of 70.7 feet to the Southeast corner of said Lot 5;

THENCE South 74 deg. 00 min. West with the South line of Lot 5, a distance of 140.00 feet to the Place of beginning and being a tract of land 70.7 x 140.00 ft.

EXHIBIT "A" CONTINUED

Tract Three:

BEGINNING at a 1/2 inch rod set in the South line of Lamar Street maintaining the North line of Block 8, said rod being South 74 deg. West a distance of 50.00 feet from the Northeast corner of both Lot 10 and Block 8; in the Original Town Plat of Sherman, Grayson County, Texas.

THENCE South 16 deg. East, 150.00 feet to a 1/2 inch rod set in the South line of Lot 10;

THENCE South 74 deg. West with the South lines of Lots 10 and 9, a distance of 100.00 feet to a 1/2 inch rod set in the East line of a 15 foot wide alley;

THENCE North 16 deg. West with the East line of the alley, a distance of 12.00 feet to a 1/2 inch rod set;

THENCE North 74 deg. East, a distance of 30.00 feet to a 1/2 inch rod set for corner, said being in line with the East wall of an existing building;

THENCE North 16 deg. West along the East line of the building, a distance of 138.00 feet to a 1/2 inch rod set at the Northeast corner of the building in the South line of Lamar Street in the North line of Lot 9;

THENCE North 74 deg. East with the South line of Lamar Street, a distance of 70.00 feet to the place of beginning and containing 0.249 acres of land.

Grayson County
Wilma Bush
Grayson County Clerk
Sherman, Texas 75090



70 2012 00018947

Instrument Number: 2012-00018947

As

Recorded On: September 19, 2012

Recordings

Parties: SHERMAN CITY OF

Billable Pages: 6

To MINSHEW ROBERT W ETAL

Number of Pages: 8

Comment: EASEMENT

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Recordings	36.00
Total Recording:	36.00

***** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Record and Return To:

Document Number: 2012-00018947
Receipt Number: 362303
Recorded Date/Time: September 19, 2012 04:10:57P
Book-Vol/Pg: BK-OR VL-5182 PG-473
User / Station: G WHITE - Cashiering Station 1

SHERMAN, CITY OF
P. O. BOX 1106
SHERMAN TX 75091-1106



THE STATE OF TEXAS
COUNTY OF GRAYSON
I hereby certify that this instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Grayson County, Texas.

Wilma Blackshear Bush

Wilma Blackshear Bush, Grayson County Clerk

ENCROACHMENT EASEMENT

THE STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

§

COUNTY OF GRAYSON

§

That the **CITY OF SHERMAN**, a municipal corporation of the State of Texas, hereinafter called "GRANTOR", in consideration of ONE DOLLAR AND NO CENTS (\$1.00) and other good and valuable consideration to it, in hand paid, hereby grants to **ROBERT W. MINSHEW, PRESIDENT OF KELLY SQUARE, INC.**, of Sherman, Texas, hereinafter called "GRANTEE", an encroachment easement to construct two balconies with support columns and encroach eight feet (8') into an existing 12 foot (12') street right-of-way on Lot Nos. 4 & 5 of Block No. 5 of the Original Town Plat to the City of Sherman, Texas, and known as 115 S. Travis, as shown on the location map marked Exhibit "A", attached hereto and incorporated herein for all purposes. Said encroachment easement shall be inferior, subordinate, and subject to the GRANTOR'S rights herein.

This instrument shall be construed as conveying an encroachment easement to GRANTEE, his heirs, successors and assigns, for the limited purpose of constructing two balconies with support columns within the herein described encroachment area, as shown on the attached exhibit. GRANTEE agrees that all maintenance of the balconies and related equipment shall be the responsibility of GRANTEE without cost, fees or expense to GRANTOR.

THAT GRANTEE SHALL FULLY AND COMPLETELY INDEMNIFY AND HOLD HARMLESS THE GRANTOR FROM ANY AND ALL DAMAGES, ACTIONS, SUITS, CLAIMS, DEMANDS, LIABILITIES, EXECUTIONS AND JUDGMENTS, WHETHER LIQUIDATED OR UNLIQUIDATED, ABSOLUTE OR CONTINGENT, DIRECT OR INDIRECT, AT LAW OR IN EQUITY, TOGETHER WITH ATTORNEYS FEES WHICH MAY OCCUR IN ANY MANNER BY REASON OF ANY MATTER, FACT, OR THING ARISING FROM THIS CONVEYANCE AND USE OF THE AREA BY GRANTEE OR A THIRD PARTY.

In the event it becomes necessary for the GRANTOR or any public utility to utilize the encroachment area for the purpose of installing new utilities, removing or repairing any public utilities located therein, GRANTEE hereby releases GRANTOR and any public utility from any and all claims for damages, costs or expenses, and shall include, but specifically not be limited to, the cost of repair, relocation, or removal of the balconies and support columns and loss of use of such area.

TO HAVE AND TO HOLD the above described encroachment easement unto the said GRANTEE, his heirs, successors and assigns, until the use of such encroachment is no longer necessary.

EXECUTED this the 19th day of September, A.D., 2012.

CITY OF SHERMAN, TEXAS

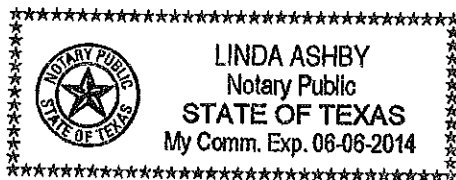
BY:

GEORGE OLSON,
CITY MANAGER

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, in and for said county and state, on this day personally appeared **GEORGE OLSON**, City Manager, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, Texas, and that he executed the same as the act of such municipality for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 19th day of September, A.D., 2012.



Linda Ashby
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

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: 9/25/12

Exhibit "A"



Sherman
CLASSIC TOWN, BROAD HORIZON.
Engineering Department

115 S Travis Street

0 25 50 100 150 200 Feet



Recorders Memo
Some portions of this
Document may not be
clearly legible.

**KELLY SQUARE, INC.
115 S. Travis
Sherman, Texas 75090**

August 29, 2012

Mr. Mark Gibson
City Engineer
220 W. Mulberry
Sherman, Texas 75090

Re: Kelly Square, Inc./Application for Encroachment

Dear Mark:

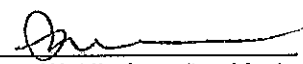
This letter will confirm our meeting in which I showed you a diagram that Kelly Square wants to substitute balconies for the two (2) awnings in the front of the building. The balconies would be 8 x 11 in size, extend 8 feet from the building toward the curb leaving 4 feet of space between the end of the balcony and the curb line. The balconies will be engineered to be safe and allow no less than 8 feet of head room clearance underneath the balconies and our proposal at this time is to have at least two (2) corner posts on each balcony for maximum structural support. The 4 foot railing on the balconies will probably be a cast iron unit from a New Orleans balcony or a combination of wood and cast iron. At a minimum the front portion would be cast iron provided we can get it done safely as it is quite heavy.

The purpose of this letter is to see if we can get before the Council for the encroachment permission which if granted, of course, would be subject to the Planning and Zoning Commission approving the site plan. Before the permit could be issued we would, of course, submit plans and specifications engineered for safety by a registered structural engineer.

Your cooperation is greatly appreciated.

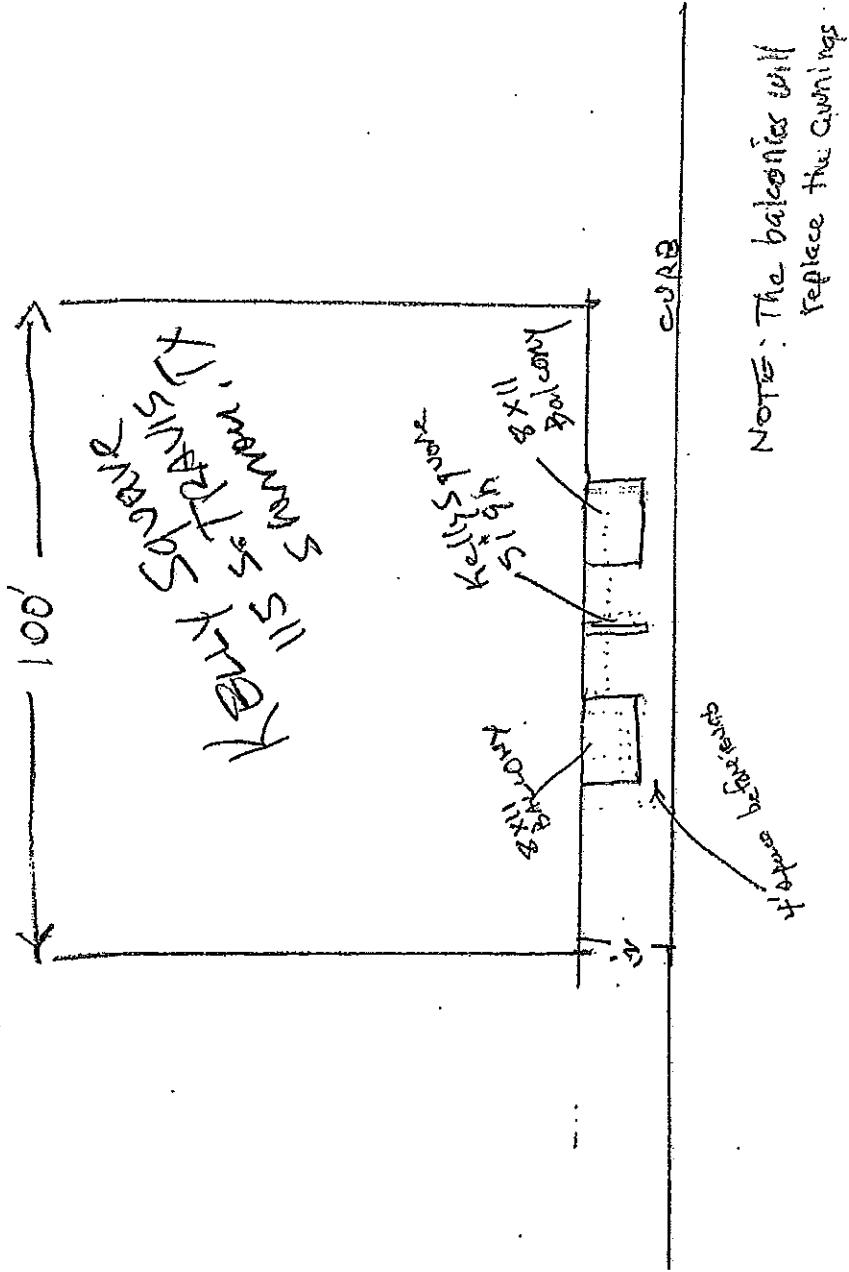
Very truly yours,

KELLY SQUARE, INC.

By: 

Robert W. Minshew, President

RWM/th



74681000

20 20

5182 707

277 26

RESOLUTION NO. 5702

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ENCROACHMENT EASEMENT TO ROBERT W. MINSHEW, PRESIDENT OF KELLY SQUARE, INC., FOR THE CONSTRUCTION OF BALCONIES AND SUPPORTS INTO A DOWNTOWN CITY SIDEWALK; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all documents being properly completed and approved as to form and content by the City Attorney, to execute an Encroachment Easement to Robert W. Minshew, President of Kelly Square, Inc., in substantially the same form as presented at this meeting, for the construction of two 8' x 11' balconies that would encroach 8' over the City sidewalk; each balcony would require two vertical supports in the sidewalk area; and the balconies would be located where the current awnings are located, in accordance with the encroachment document and location map approved by the City Engineer and the City Attorney, 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 17th day of September, 2012.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: Linda Ashby
LINDA ASHBY, CITY CLERK

BY: [Signature]
BILL MAGERS, MAYOR

APPROVED AS TO FORM
AND CONTENT:

BY: [Signature]
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: 9/19/12

CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$91,240.53	09-01-2014	10-30-2018	8001132218	1E1 / 210	K001516	031	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: KELLY SQUARE INC. A TEXAS CORPORATION
P O BOX 758
SHERMAN, TX 75091-0758

Lender: AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

Principal Amount: \$91,240.53

Date of Agreement: September 1, 2014

DESCRIPTION OF EXISTING INDEBTEDNESS. PROMISSORY NOTE OF DATE OCTOBER 30, 2013 IN THE ORIGINAL AMOUNT OF \$100,000.00.

DESCRIPTION OF COLLATERAL. DEED OF TRUST ON REAL PROPERTY LOCATED AT 115 S TRAVIS, SHERMAN, GRAYSON COUNTY, TEXAS; AND, GUARANTY OF ROBERT W MINSHEW; AND, DEED OF TRUST ON 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS.

DESCRIPTION OF CHANGE IN TERMS. MODIFY LOAN #8001132218 FOR PARTIAL RELEASE OF TRACT 3 AND ADDITION OF DEED OF TRUST, 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS. MATURITY DATE TO REMAIN THE SAME OF OCTOBER 30, 2018. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

PROMISE TO PAY. KELLY SQUARE INC. A TEXAS CORPORATION ("Borrower") promises to pay to AMERICAN BANK OF TEXAS ("Lender"), or order, in lawful money of the United States of America, the principal amount of Ninety-one Thousand Two Hundred Forty & 53/100 Dollars (\$91,240.53), together with interest on the unpaid principal balance from September 1, 2014, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 6.000%, until maturity. The interest rate may change under the terms and conditions of the "POST MATURITY RATE" section.

PAYMENT. Borrower will pay this loan in 49 regular payments of \$1,362.90 each and one irregular last payment estimated at \$41,488.85. Borrower's first payment is due September 30, 2014, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on October 30, 2018, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any escrow or reserve account payments as required under any mortgage, deed of trust, or other security instrument or security agreement securing this Note. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

MAXIMUM INTEREST RATE. Under no circumstances will the interest rate on this loan exceed (except for any higher default rate shown below) the lesser of 18.000% per annum or the maximum rate allowed by applicable law.

INTEREST CALCULATION METHOD. Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding, unless such calculation would result in a usurious rate, in which case interest shall be calculated on a per diem basis of a year of 365 or 366 days, as the case may be. All interest payable under this loan is computed using this method.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Prepayment in full shall consist of payment of the remaining unpaid principal balance together with all accrued and unpaid interest and all other amounts, costs and expenses for which Borrower is responsible under this Agreement or any other agreement with Lender pertaining to this loan, and in no event will Borrower ever be required to pay any unearned interest. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: American Bank of Texas, P.O. Box 1234 Sherman, TX 75091.

POST MATURITY RATE. The Post Maturity Rate on this loan is the lesser of (A) the maximum rate allowed by law or (B) 18.000%. Borrower will pay interest on all sums due after final maturity, whether by acceleration or otherwise, at that rate.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness evidenced by this Note.

Change In Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Cure Provisions. If any default, other than a default in payment is curable, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire indebtedness, including the unpaid principal balance under this Agreement, all accrued unpaid interest, and all other amounts, costs and expenses for which Borrower is responsible under this Agreement or any other agreement with Lender pertaining to this loan, immediately due, without notice, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire an attorney to help collect this Agreement if Borrower does not pay, and Borrower will pay Lender's reasonable attorneys' fees. Borrower also will pay Lender all other amounts Lender actually incurs as court costs, lawful fees for filing, recording, releasing to any public office any instrument securing this Agreement; the reasonable cost actually expended for repossessing, storing, preparing for sale, and selling any security; and fees for noting a lien on or transferring a certificate of title to any motor vehicle offered as security for this Agreement, or premiums or identifiable charges received in connection with the sale of authorized insurance.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Texas without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Texas.

CHOICE OF VENUE. If there is a lawsuit, and if the transaction evidenced by this Agreement occurred in GRAYSON County, Borrower agrees

**CHANGE IN TERMS AGREEMENT
(Continued)**

Loan No: 8001132218

Page 2

upon Lender's request to submit to the jurisdiction of the courts of GRAYSON County, State of Texas.

DISHONORED CHECK CHARGE. Borrower will pay a processing fee of \$27.50 if any check given by Borrower to Lender as a payment on this loan is dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Agreement is secured by DEED OF TRUST ON REAL PROPERTY LOCATED AT 115 S TRAVIS, SHERMAN, GRAYSON COUNTY, TEXAS; AND, GUARANTY OF ROBERT W MINSHEW; AND, DEED OF TRUST ON 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS.

CONTINUING VALIDITY. Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorser of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

BALLOON NOTE DISCLOSURE. THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST THEN REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. AMERICAN BANK OF TEXAS IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER THAT YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU HAVE OBTAINED REFINANCING FROM THE SAME LENDER.

SUCCESSORS AND ASSIGNS. Subject to any limitations stated in this Agreement on transfer of Borrower's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Agreement or liability under the Indebtedness.

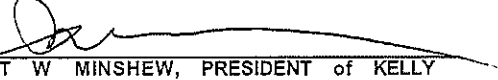
NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: American Bank of Texas P.O. Box 1234 / 2011 Texoma Parkway Sherman, TX 75090.

MISCELLANEOUS PROVISIONS. NOTICE: Under no circumstances (and notwithstanding any other provisions of this Agreement) shall the interest charged, collected, or contracted for on this Agreement exceed the maximum rate permitted by law. The term "maximum rate permitted by law" as used in this Agreement means the greater of (a) the maximum rate of interest permitted under federal or other law applicable to the indebtedness evidenced by this Agreement, or (b) the higher, as of the date of this Agreement, of the "Weekly Ceiling" or the "Quarterly Ceiling" as referred to in Sections 303.002, 303.003 and 303.006 of the Texas Finance Code. If any part of this Agreement cannot be enforced, this fact will not affect the rest of the Agreement. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Texas (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. The right to accelerate maturity of sums due under this Agreement does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to charge or collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the loan evidenced by this Agreement until payment in full so that the rate or amount of interest on account of the loan evidenced hereby does not exceed the applicable usury ceiling. Lender may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. Borrower and any other person who signs, guarantees or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, notice of dishonor, notice of intent to accelerate the maturity of this Agreement, and notice of acceleration of the maturity of this Agreement. Upon any change in the terms of this Agreement, and unless otherwise expressly stated in writing, no party who signs this Agreement, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Agreement are joint and several.

PRIOR TO SIGNING THIS AGREEMENT, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. BORROWER AGREES TO THE TERMS OF THE AGREEMENT.

BORROWER:

KELLY SQUARE INC. A TEXAS CORPORATION

By: 
ROBERT W MINSHEW, PRESIDENT of KELLY
SQUARE INC. A TEXAS CORPORATION

LENDER:

AMERICAN BANK OF TEXAS

X _____
Authorized Signer

ERRORS AND OMISSIONS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$91,240.53	09-01-2014	10-30-2018	8001132218	1E1 / 210	K001516	031	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower:
 KELLY SQUARE INC. A TEXAS CORPORATION
 P O BOX 758
 SHERMAN, TX 75091-0758

Lender:
 AMERICAN BANK OF TEXAS
 P.O. BOX 1234
 SHERMAN, TX 75091-1234

This ERRORS AND OMISSIONS AGREEMENT is attached to and by this reference is made a part of the Change In Terms Agreement, dated September 1, 2014, and executed in connection with a loan or other financial accommodations between AMERICAN BANK OF TEXAS and KELLY SQUARE INC. A TEXAS CORPORATION.

The undersigned borrower(s), in consideration of the closing of a certain loan by AMERICAN BANK OF TEXAS the "Lender" to KELLY SQUARE INC. A TEXAS CORPORATION "Borrower(s)" in the above stated amount, as evidenced by a promissory note and:

Secured by DEED OF TRUST ON REAL PROPERTY KNOWN AS 115 S TRAVIS, SHERMAN, GRAYSON COUNTY, TEXAS; AND, GUARANTY OF ROBERT W MINSHEW. DEED OF TRUST ON 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS.

and dated the date of this Errors and Omissions Agreement, agree(s), if requested by the "Lender" or its agent, to fully cooperate in the correction, if necessary in the reasonable discretion of the "Lender" of any and all loan closing documents so that all documents accurately describe the loan between the undersigned borrower(s) and the "Lender" and thus allow the "Lender" to sell, convey, seek a guaranty or obtain insurance for, or market said loan to any purchaser, including but not limited to any investor or institution, The Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Department of Veterans Affairs, or Municipal Bonding Authority.

The undersigned borrower(s) further agree(s) to comply with all above noted reasonable requests by the "Lender" within thirty (30) days from the date of the mailing of the correction requests by the "Lender". The undersigned borrower(s) agree(s) to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with the "Lender" requests within the specified thirty (30) days.

THIS ERRORS AND OMISSIONS AGREEMENT IS EXECUTED ON SEPTEMBER 1, 2014.

BORROWER:

KELLY SQUARE INC. A TEXAS CORPORATION

By: 

ROBERT W MINSHEW, PRESIDENT of KELLY
 SQUARE INC. A TEXAS CORPORATION

LENDER:

AMERICAN BANK OF TEXAS

X _____

Authorized Signer

DEED OF TRUST

RECORDATION REQUESTED BY:

AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

WHEN RECORDED MAIL TO:

AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

SEND TAX NOTICES TO:

KELLY SQUARE INC. A TEXAS CORPORATION
P O BOX 758
SHERMAN, TX 75091-0758

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

THIS DEED OF TRUST is dated September 1, 2014, among KELLY SQUARE INC. A TEXAS CORPORATION, whose address is 115 S TRAVIS ST, SHERMAN, TX 75090-5990 ("Grantor"); AMERICAN BANK OF TEXAS, whose address is P.O. BOX 1234, SHERMAN, TX 75091-1234 (referred to below sometimes as "Beneficiary"); and JERRY GRIFFIN, whose address is 2011 TEXOMA PARKWAY, SHERMAN, TX 75090 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; and all easements, rights of way, and appurtenances; all water and water rights; and all other rights, royalties, and profits relating to the real property, including without limitation such rights as Grantor may have in all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in GRAYSON County, State of Texas:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES

The Real Property or its address is commonly known as 115 S TRAVIS ST (0.12445 ACRE TRACT), SHERMAN, TX 75090.

Grantor hereby absolutely assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

GRANTOR'S AUTHORIZATION. Grantor represents to Lender that its board of directors has authorized its legally elected, qualified, and acting officers to execute the Note and this Deed of Trust.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent. This restriction will not apply to rights and easements (such as gas and oil) not owned by Grantor and of which Grantor has informed Lender in writing prior to Grantor's signing of this Deed of Trust.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DEED OF TRUST
(Continued)**

Loan No: 8001132218

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DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Texas law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and Lender's reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender, with losses made payable to Lender. GRANTOR MAY FURNISH THE REQUIRED INSURANCE WHETHER THROUGH EXISTING POLICIES OWNED OR CONTROLLED BY GRANTOR OR THROUGH EQUIVALENT INSURANCE FROM ANY INSURANCE COMPANY AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF TEXAS. If Grantor fails to provide any required insurance or fails to continue such insurance in force, Lender may, but shall not be required to, do so at Grantor's expense, and the cost of the insurance will be added to the Indebtedness. If any such insurance is procured by Lender, Grantor will be so notified, and Grantor will have the option of furnishing equivalent insurance through any insurer authorized to transact business in Texas. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Deed of Trust, to the extent compliance with the terms of this Deed of Trust would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Deed of Trust for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures paid by Lender for such purposes will then bear interest at the Note rate from the date paid by Lender to the date of repayment by Grantor. To the extent permitted by applicable law, all such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of

Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

EXISTING INDEBTEDNESS. The following provisions concerning Existing indebtedness are a part of this Deed of Trust:

Existing Lien. The lien of this Deed of Trust securing the Indebtedness shall be subordinate to the lien securing payment of an existing obligation with an account number of 9414266 to AMERICAN BANK OF TEXAS described as: DEED OF TRUST OF DATE OF EVEN DATE TO BE RECORDED IN THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS. The existing obligation has a current principal balance of approximately \$55,475.52 and is in the original principal amount of \$242,000.00. The obligation has the following payment terms: \$828.72 per Month. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Deed of Trust by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

CONDEMNATION, JUDGMENTS AND AWARDS. The following provisions relating to condemnation proceedings, judgments, decrees and awards for injury to the Property are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. To the extent permitted by applicable law, all judgments, decrees and awards for injury or damage to the Property, or any part of the Property, and awards pursuant to proceedings for condemnation of the Property, are hereby absolutely assigned to Lender, and if all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award, judgment or decree shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Grantor a release of this Deed of Trust lien and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. However, it is agreed that the payment of all the Indebtedness and performance of such obligations shall not terminate this Deed of Trust unless the liens and interests created hereby are released by Lender by a proper recordable instrument. Any filing fees required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the

Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Existing Indebtedness. The payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

Right to Cure. If any default, other than a default in payment is curable, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender may declare the unpaid principal balance of the Indebtedness due and payable. In no event will Grantor be required to pay any unearned interest.

Foreclosure. If Lender invokes the power of sale, Trustee, at the request of Lender, may sell all or any portion of the Property at public auction to the highest bidder for cash at the location within the courthouse designated by the County Commissioners Court, or if no such area has been designated, at the area designated in the notice of sale within the courthouse, between the hours of 10:00 A.M. and 4:00 P.M. on the first Tuesday of any month, after the Trustee or its agent has given notice of the time and place of sale and of the property to be sold as required by the Texas Property Code, as then amended.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. As additional security for the payment of the Indebtedness, Grantor hereby assigns to Lender all Rents as defined in the Definitions section of this Deed of Trust. Lender shall have the right at any time, and even though no Event of Default shall have occurred under this Deed of Trust, to collect and receive the Rents. Lender shall provide any notice required by applicable law with regard to such enforcement of its right to collect and receive the Rents. In addition, if the Property is vacant, Lender may rent or lease the Property. Lender shall not be liable for its failure to rent the Property, to collect any Rents, or to exercise diligence in any matter relating to the Rents; Lender shall be accountable only for Rents actually received. Lender neither has nor assumes any obligation as lessor or landlord with respect to any occupant of the Property. Rents so received shall be applied by Lender first to the remaining unpaid balance of the Indebtedness, in such order or manner as Lender shall elect, and the residue, if any, shall be paid to the person or persons legally entitled to the residue.

Trustee's Powers. Grantor hereby jointly and severally authorizes and empowers Trustee to sell all or any portion of the Property together or in lots or parcels, as Trustee may deem expedient, and to execute and deliver to the purchaser or purchasers of such Property good and sufficient deeds of conveyance of fee simple title, or of lesser estates, and bills of sale and assignments, with covenants of general warranty made on Grantor's behalf. In no event shall Trustee be required to exhibit, present or display at any such sale any of the Property to be sold at such sale. The Trustee making such sale shall receive the proceeds of the sale and shall apply the same as provided below. Payment of the purchase price to Trustee shall satisfy the liability of the purchaser at any such sale of the Property, and such person shall not be bound to look after the application of the proceeds.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, (2) vacate the Property immediately upon the demand of Lender, or (3) if such tenants refuse to surrender possession of the Property upon demand, the purchaser shall be entitled to institute and maintain the statutory action of forcible entry and detainer and procure a writ of possession thereunder, and Grantor expressly waives all damages sustained by reason thereof.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Trustee may convey all or any part of the Property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty. Grantor waives all requirements of appraisal, if any. The affidavit of any person having knowledge of the facts to the effect that proper notice as required by the Texas Property Code was given shall be prima facie evidence of the fact that such notice was in fact given. Recitals and statements of fact in any notice or in any conveyance to the purchaser or purchasers of the Property in any foreclosure sale under this Deed of Trust shall be prima facie evidence of the truth of such facts, and all prerequisites and requirements necessary to the validity of any such sale shall be presumed to have been performed. Any sale under the powers granted by this Deed of Trust shall be a perpetual bar against Grantor, Grantor's heirs, successors, assigns and legal representatives.

Proceeds. Trustee shall pay the proceeds of any sale of the Property (a) first, to the expenses of foreclosure, including reasonable fees or charges paid to the Trustee, including but not limited to fees for enforcing the lien, posting for sale, selling, or releasing the Property, (b) then to Lender the full amount of the Indebtedness, (c) then to any amount required by law to be paid before payment to Grantor, and (d) the balance, if any, to Grantor.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as Lender's attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including Lender's reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. In

the event of foreclosure of this Deed of Trust, Lender shall be entitled to recover from Grantor Lender's reasonable attorneys' fees and actual disbursements that Lender necessarily incurs in pursuing such foreclosure.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other lienholder of the Property of the commencement of a foreclosure proceeding or of the commencement of any other action to which Lender may avail itself as a remedy, except to the extent required by applicable law or by written agreement.

Trustee. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Substitute Trustee. Lender, at Lender's option, from time to time, and more than once, may appoint in writing a successor or substitute trustee, with or without cause, including the resignation, absence, death, inability, refusal or failure to act of the Trustee. The successor or substitute trustee may be appointed without ever requiring the resignation of the former trustee and without any formality except for the execution and acknowledgment of the appointment by the beneficiary of this Deed of Trust. The successor or substitute trustee shall then succeed to all rights, obligations, and duties of the Trustee. This appointment may be made on Lender's behalf by the President, any Vice President, Secretary, or Cashier of Lender.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Texas without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Texas.

Choice of Venue. If there is a lawsuit, and if the transaction evidenced by this Deed of Trust occurred in GRAYSON County, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of GRAYSON County, State of Texas.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means AMERICAN BANK OF TEXAS, and its successors and assigns.

Borrower. The word "Borrower" means KELLY SQUARE INC. A TEXAS CORPORATION and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Deed of Trust.

Grantor. The word "Grantor" means KELLY SQUARE INC. A TEXAS CORPORATION.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means AMERICAN BANK OF TEXAS, its successors and assigns.

Note. The word "Note" means the promissory note dated September 1, 2014, in the original principal amount of \$91,240.53 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

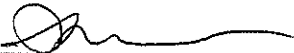
Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property. The word "Rents" shall also mean all "Rents" as defined in Chapter 64 of the Texas Property Code.

Trustee. The word "Trustee" means JERRY GRIFFIN, whose address is 2011 TEXOMA PARKWAY, SHERMAN, TX 75090 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

KELLY SQUARE INC. A TEXAS CORPORATION

By: 
ROBERT W MINSHEW, PRESIDENT of KELLY
SQUARE INC. A TEXAS CORPORATION

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

This instrument was acknowledged before me on _____, 20____ by ROBERT W MINSHEW, PRESIDENT of KELLY SQUARE INC. A TEXAS CORPORATION a Texas corporation, on behalf of said corporation.

Notary Public, State of Texas

CLOSING STATEMENT

LENDER:

AMERICAN BANK OF TEXAS
2011 TEXOMA PARKWAY
P.O. BOX 1234
SHERMAN, TX 75090

BORROWER:

Kelly Square Inc
P O Box 758
Sherman TX 75091

DATE:

1-Sep-14

LOAN #: 9414266

COMMERCIAL SETTLEMENT STATEMENT	
Description	Amount Due
Loan Fees	
Flood Cert Fee-ServiceLink Nat'l Fld	
Inspection Fees - Inside	
Inspection Fees - Outside	
Processing and Closing Fee	
Recording Fee - Deed of Trust	\$ 48.00
Wire Transfer Fee	
Title Search-O & E Report - Chapin Title Co.	\$ 270.63
Appraisal Fee	
Equifax Credit Report	
UCC Filing Fee	
UCC Search Fee	
Certificate of Good Standing Fee	
Other Fee	
Other Fee	
Principal Due	
Interest Due	
Late Fees Due	
Total Amount Due	\$ 318.63



Robert W Minshew, President

CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$55,475.52	09-01-2014	10-25-2018	9414266	1E1 / 210	K001516	031	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: KELLY SQUARE, INC., A TEXAS CORPORATION
P O BOX 758
SHERMAN, TX 75091-0758

Lender: AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

Principal Amount: \$55,475.52

Date of Agreement: September 1, 2014

DESCRIPTION OF EXISTING INDEBTEDNESS. PROMISSORY NOTE OF DATE MARCH 25, 2009 IN THE ORIGINAL AMOUNT OF \$144,231.98.

DESCRIPTION OF COLLATERAL. DEED OF TRUST ON REAL PROPERTY LOCATED AT 115 S TRAVIS, SHERMAN, GRAYSON COUNTY, TEXAS; AND, GUARANTY OF ROBERT W MINSHEW; AND, DEED OF TRUST ON 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS.

DESCRIPTION OF CHANGE IN TERMS. MODIFY LOAN #9414266 FOR PARTIAL RELEASE OF TRACT 3 AND ADDING COLLATERAL, DEED OF TRUST ON 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS. MATURITY DATE TO REMAIN THE SAME OF OCTOBER 25, 2018. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

PROMISE TO PAY. KELLY SQUARE, INC., A TEXAS CORPORATION ("Borrower") promises to pay to AMERICAN BANK OF TEXAS ("Lender"), or order, in lawful money of the United States of America, the principal amount of Fifty-five Thousand Four Hundred Seventy-five & 52/100 Dollars (\$55,475.52), together with interest on the unpaid principal balance from September 1, 2014, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 6.000%, until maturity. The interest rate may change under the terms and conditions of the "POST MATURITY RATE" section.

PAYMENT. Borrower will pay this loan in 49 regular payments of \$828.72 each and one irregular last payment estimated at \$25,164.39. Borrower's first payment is due September 25, 2014, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on October 25, 2018, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any escrow or reserve account payments as required under any mortgage, deed of trust, or other security instrument or security agreement securing this Note. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

MAXIMUM INTEREST RATE. Under no circumstances will the interest rate on this loan exceed (except for any higher default rate shown below) the lesser of 18.000% per annum or the maximum rate allowed by applicable law.

INTEREST CALCULATION METHOD. Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding, unless such calculation would result in a usurious rate, in which case interest shall be calculated on a per diem basis of a year of 365 or 366 days, as the case may be. All interest payable under this loan is computed using this method.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Prepayment in full shall consist of payment of the remaining unpaid principal balance together with all accrued and unpaid interest and all other amounts, costs and expenses for which Borrower is responsible under this Agreement or any other agreement with Lender pertaining to this loan, and in no event will Borrower ever be required to pay any unearned interest. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: American Bank of Texas, P.O. Box 1234 Sherman, TX 75091.

POST MATURITY RATE. The Post Maturity Rate on this loan is the lesser of (A) the maximum rate allowed by law or (B) 18.000%. Borrower will pay interest on all sums due after final maturity, whether by acceleration or otherwise, at that rate.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness evidenced by this Note.

Change In Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Cure Provisions. If any default, other than a default in payment is curable, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire indebtedness, including the unpaid principal balance under this Agreement, all accrued unpaid interest, and all other amounts, costs and expenses for which Borrower is responsible under this Agreement or any other agreement with Lender pertaining to this loan, immediately due, without notice, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire an attorney to help collect this Agreement if Borrower does not pay, and Borrower will pay Lender's reasonable attorneys' fees. Borrower also will pay Lender all other amounts Lender actually incurs as court costs, lawful fees for filing, recording, releasing to any public office any instrument securing this Agreement; the reasonable cost actually expended for repossessing, storing, preparing for sale, and selling any security; and fees for noting a lien on or transferring a certificate of title to any motor vehicle offered as security for this Agreement, or premiums or identifiable charges received in connection with the sale of authorized insurance.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Texas without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Texas.

CHOICE OF VENUE. If there is a lawsuit, and if the transaction evidenced by this Agreement occurred in GRAYSON County, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of GRAYSON County, State of Texas.

**CHANGE IN TERMS AGREEMENT
(Continued)**

Loan No: 9414266

Page 2

DISHONORED CHECK CHARGE. Borrower will pay a processing fee of \$27.50 if any check given by Borrower to Lender as a payment on this loan is dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Agreement is secured by DEED OF TRUST ON REAL PROPERTY LOCATED AT 115 S TRAVIS, SHERMAN, GRAYSON COUNTY, TEXAS; AND, GUARANTY OF ROBERT W MINSHEW; AND, DEED OF TRUST ON 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS.

CONTINUING VALIDITY. Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

BALLOON NOTE DISCLOSURE. THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST THEN REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. AMERICAN BANK OF TEXAS IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER THAT YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU HAVE OBTAINED REFINANCING FROM THE SAME LENDER.

SUCCESSORS AND ASSIGNS. Subject to any limitations stated in this Agreement on transfer of Borrower's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Agreement or liability under the Indebtedness.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: American Bank of Texas P.O. Box 1234 / 2011 Texoma Parkway Sherman, TX 75090.

MISCELLANEOUS PROVISIONS. NOTICE: Under no circumstances (and notwithstanding any other provisions of this Agreement) shall the interest charged, collected, or contracted for on this Agreement exceed the maximum rate permitted by law. The term "maximum rate permitted by law" as used in this Agreement means the greater of (a) the maximum rate of interest permitted under federal or other law applicable to the indebtedness evidenced by this Agreement, or (b) the higher, as of the date of this Agreement, of the "Weekly Ceiling" or the "Quarterly Ceiling" as referred to in Sections 303.002, 303.003 and 303.006 of the Texas Finance Code. If any part of this Agreement cannot be enforced, this fact will not affect the rest of the Agreement. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve or receive (collectively referred to herein as "charge or collect"), any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Texas (as applicable). Any such excess interest or unauthorized fee shall, instead of anything stated to the contrary, be applied first to reduce the principal balance of this loan, and when the principal has been paid in full, be refunded to Borrower. The right to accelerate maturity of sums due under this Agreement does not include the right to accelerate any interest which has not otherwise accrued on the date of such acceleration, and Lender does not intend to charge or collect any unearned interest in the event of acceleration. All sums paid or agreed to be paid to Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of the loan evidenced by this Agreement until payment in full so that the rate or amount of interest on account of the loan evidenced hereby does not exceed the applicable usury ceiling. Lender may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. Borrower and any other person who signs, guarantees or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, notice of dishonor, notice of intent to accelerate the maturity of this Agreement, and notice of acceleration of the maturity of this Agreement. Upon any change in the terms of this Agreement, and unless otherwise expressly stated in writing, no party who signs this Agreement, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Agreement are joint and several.

PRIOR TO SIGNING THIS AGREEMENT, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. BORROWER AGREES TO THE TERMS OF THE AGREEMENT.

BORROWER:

KELLY SQUARE, INC., A TEXAS CORPORATION

By: 
ROBERT W MINSHEW, PRESIDENT of KELLY
SQUARE, INC., A TEXAS CORPORATION

LENDER:

AMERICAN BANK OF TEXAS

X _____
Authorized Signer

ERRORS AND OMISSIONS AGREEMENT

Principal \$55,475.52	Loan Date 09-01-2014	Maturity 10-25-2018	Loan No 9414266	Call / Coll 1E1 / 210	Account K001516	Officer 031	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: KELLY SQUARE, INC., A TEXAS CORPORATION
P O BOX 758
SHERMAN, TX 75091-0758

Lender: AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

This ERRORS AND OMISSIONS AGREEMENT is attached to and by this reference is made a part of the Change In Terms Agreement, dated September 1, 2014, and executed in connection with a loan or other financial accommodations between AMERICAN BANK OF TEXAS and KELLY SQUARE, INC., A TEXAS CORPORATION.

The undersigned borrower(s), in consideration of the closing of a certain loan by AMERICAN BANK OF TEXAS the "Lender" to KELLY SQUARE, INC., A TEXAS CORPORATION "Borrower(s)" in the above stated amount, as evidenced by a promissory note and:

Secured by a Deed of Trust or mortgage against real property located at 115 S TRAVIS, SHERMAN, GRAYSON COUNTY, TEXAS; AND, 0.12445 ACRE TRACT, SHERMAN, GRAYSON COUNTY, TEXAS;

GUARANTY OF ROBERT W MINSHEW;

and dated the date of this Errors and Omissions Agreement, agree(s), if requested by the "Lender" or its agent, to fully cooperate in the correction, if necessary in the reasonable discretion of the "Lender" of any and all loan closing documents so that all documents accurately describe the loan between the undersigned borrower(s) and the "Lender" and thus allow the "Lender" to sell, convey, seek a guaranty or obtain insurance for, or market said loan to any purchaser, including but not limited to any investor or institution, The Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Department of Veterans Affairs, or Municipal Bonding Authority.

The undersigned borrower(s) further agree(s) to comply with all above noted reasonable requests by the "Lender" within thirty (30) days from the date of the mailing of the correction requests by the "Lender". The undersigned borrower(s) agree(s) to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with the "Lender" requests within the specified thirty (30) days.

THIS ERRORS AND OMISSIONS AGREEMENT IS EXECUTED ON SEPTEMBER 1, 2014.

BORROWER:

KELLY SQUARE, INC., A TEXAS CORPORATION

By: ROBERT W MINSHEW, PRESIDENT of KELLY
SQUARE, INC., A TEXAS CORPORATION

LENDER:

AMERICAN BANK OF TEXAS

X _____
Authorized Signer

DEED OF TRUST

RECORDATION REQUESTED BY:

AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

WHEN RECORDED MAIL TO:

AMERICAN BANK OF TEXAS
P.O. BOX 1234
SHERMAN, TX 75091-1234

SEND TAX NOTICES TO:

KELLY SQUARE, INC., A TEXAS CORPORATION
P O BOX 758
SHERMAN, TX 75091-0758

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

THIS DEED OF TRUST is dated September 1, 2014, among KELLY SQUARE, INC., A TEXAS CORPORATION, whose address is 115 S TRAVIS ST, SHERMAN, TX 75090-5990 ("Grantor"); AMERICAN BANK OF TEXAS, whose address is P.O. BOX 1234, SHERMAN, TX 75091-1234 (referred to below sometimes as "Beneficiary"); and JERRY GRIFFIN, whose address is 2011 TEXOMA PARKWAY, SHERMAN, TX 75090 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; and all easements, rights of way, and appurtenances; all water and water rights; and all other rights, royalties, and profits relating to the real property, including without limitation such rights as Grantor may have in all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in GRAYSON County, State of Texas:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES

The Real Property or its address is commonly known as 115 S TRAVIS (0.12445 ACRE TRACT), SHERMAN, TX 75090.

Grantor hereby absolutely assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

GRANTOR'S AUTHORIZATION. Grantor represents to Lender that its board of directors has authorized its legally elected, qualified, and acting officers to execute the Note and this Deed of Trust.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent. This restriction will not apply to rights and easements (such as gas and oil) not owned by Grantor and of which Grantor has informed Lender in writing prior to Grantor's signing of this Deed of Trust.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DEED OF TRUST
(Continued)**

Loan No: 9414266

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DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Texas law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and Lender's reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender, with losses made payable to Lender. GRANTOR MAY FURNISH THE REQUIRED INSURANCE WHETHER THROUGH EXISTING POLICIES OWNED OR CONTROLLED BY GRANTOR OR THROUGH EQUIVALENT INSURANCE FROM ANY INSURANCE COMPANY AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF TEXAS. If Grantor fails to provide any required insurance or fails to continue such insurance in force, Lender may, but shall not be required to, do so at Grantor's expense, and the cost of the insurance will be added to the Indebtedness. If any such insurance is procured by Lender, Grantor will be so notified, and Grantor will have the option of furnishing equivalent insurance through any insurer authorized to transact business in Texas. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures paid by Lender for such purposes will then bear interest at the Note rate from the date paid by Lender to the date of repayment by Grantor. To the extent permitted by applicable law, all such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall

**DEED OF TRUST
(Continued)**

Loan No: 9414266

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survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

CONDEMNATION, JUDGMENTS AND AWARDS. The following provisions relating to condemnation proceedings, judgments, decrees and awards for injury to the Property are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. To the extent permitted by applicable law, all judgments, decrees and awards for injury or damage to the Property, or any part of the Property, and awards pursuant to proceedings for condemnation of the Property, are hereby absolutely assigned to Lender, and if all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award, judgment or decree shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Grantor a release of this Deed of Trust lien and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. However, it is agreed that the payment of all the Indebtedness and performance of such obligations shall not terminate this Deed of Trust unless the liens and interests created hereby are released by Lender by a proper recordable instrument. Any filing fees required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Right to Cure. If any default, other than a default in payment is curable, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may

**DEED OF TRUST
(Continued)**

Loan No: 9414266

Page 4

exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender may declare the unpaid principal balance of the Indebtedness due and payable. In no event will Grantor be required to pay any unearned interest.

Foreclosure. If Lender invokes the power of sale, Trustee, at the request of Lender, may sell all or any portion of the Property at public auction to the highest bidder for cash at the location within the courthouse designated by the County Commissioners Court, or if no such area has been designated, at the area designated in the notice of sale within the courthouse, between the hours of 10:00 A.M. and 4:00 P.M. on the first Tuesday of any month, after the Trustee or its agent has given notice of the time and place of sale and of the property to be sold as required by the Texas Property Code, as then amended.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. As additional security for the payment of the Indebtedness, Grantor hereby assigns to Lender all Rents as defined in the Definitions section of this Deed of Trust. Lender shall have the right at any time, and even though no Event of Default shall have occurred under this Deed of Trust, to collect and receive the Rents. Lender shall provide any notice required by applicable law with regard to such enforcement of its right to collect and receive the Rents. In addition, if the Property is vacant, Lender may rent or lease the Property. Lender shall not be liable for its failure to rent the Property, to collect any Rents, or to exercise diligence in any matter relating to the Rents; Lender shall be accountable only for Rents actually received. Lender neither has nor assumes any obligation as lessor or landlord with respect to any occupant of the Property. Rents so received shall be applied by Lender first to the remaining unpaid balance of the Indebtedness, in such order or manner as Lender shall elect, and the residue, if any, shall be paid to the person or persons legally entitled to the residue.

Trustee's Powers. Grantor hereby jointly and severally authorizes and empowers Trustee to sell all or any portion of the Property together or in lots or parcels, as Trustee may deem expedient, and to execute and deliver to the purchaser or purchasers of such Property good and sufficient deeds of conveyance of fee simple title, or of lesser estates, and bills of sale and assignments, with covenants of general warranty made on Grantor's behalf. In no event shall Trustee be required to exhibit, present or display at any such sale any of the Property to be sold at such sale. The Trustee making such sale shall receive the proceeds of the sale and shall apply the same as provided below. Payment of the purchase price to Trustee shall satisfy the liability of the purchaser at any such sale of the Property, and such person shall not be bound to look after the application of the proceeds.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, (2) vacate the Property immediately upon the demand of Lender, or (3) if such tenants refuse to surrender possession of the Property upon demand, the purchaser shall be entitled to institute and maintain the statutory action of forcible entry and detainer and procure a writ of possession thereunder, and Grantor expressly waives all damages sustained by reason thereof.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Trustee may convey all or any part of the Property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty. Grantor waives all requirements of appraisal, if any. The affidavit of any person having knowledge of the facts to the effect that proper notice as required by the Texas Property Code was given shall be prima facie evidence of the fact that such notice was in fact given. Recitals and statements of fact in any notice or in any conveyance to the purchaser or purchasers of the Property in any foreclosure sale under this Deed of Trust shall be prima facie evidence of the truth of such facts, and all prerequisites and requirements necessary to the validity of any such sale shall be presumed to have been performed. Any sale under the powers granted by this Deed of Trust shall be a perpetual bar against Grantor, Grantor's heirs, successors, assigns and legal representatives.

Proceeds. Trustee shall pay the proceeds of any sale of the Property (a) first, to the expenses of foreclosure, including reasonable fees or charges paid to the Trustee, including but not limited to fees for enforcing the lien, posting for sale, selling, or releasing the Property, (b) then to Lender the full amount of the Indebtedness, (c) then to any amount required by law to be paid before payment to Grantor, and (d) the balance, if any, to Grantor.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as Lender's attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including Lender's reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. In the event of foreclosure of this Deed of Trust, Lender shall be entitled to recover from Grantor Lender's reasonable attorneys' fees and actual disbursements that Lender necessarily incurs in pursuing such foreclosure.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other lienholder of the Property of the commencement of a foreclosure proceeding or of the commencement of any other action to which Lender may avail itself as a remedy, except to the extent required by applicable law or by written agreement.

Trustee. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Substitute Trustee. Lender, at Lender's option, from time to time, and more than once, may appoint in writing a successor or substitute trustee, with or without cause, including the resignation, absence, death, inability, refusal or failure to act of the Trustee. The successor or substitute trustee may be appointed without ever requiring the resignation of the former trustee and without any formality except for the execution and acknowledgment of the appointment by the beneficiary of this Deed of Trust. The successor or substitute trustee shall then succeed to all rights, obligations, and duties of the Trustee. This appointment may be made on Lender's behalf by the President, any Vice President, Secretary, or Cashier of Lender.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale

shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Texas without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Texas.

Choice of Venue. If there is a lawsuit, and if the transaction evidenced by this Deed of Trust occurred in GRAYSON County, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of GRAYSON County, State of Texas.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means AMERICAN BANK OF TEXAS, and its successors and assigns.

Borrower. The word "Borrower" means KELLY SQUARE, INC., A TEXAS CORPORATION and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means KELLY SQUARE, INC., A TEXAS CORPORATION.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means AMERICAN BANK OF TEXAS, its successors and assigns.

Note. The word "Note" means the promissory note dated September 1, 2014, in the original principal amount of \$55,475.52 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

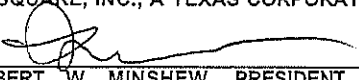
Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property. The word "Rents" shall also mean all "Rents" as defined in Chapter 64 of the Texas Property Code.

Trustee. The word "Trustee" means JERRY GRIFFIN, whose address is 2011 TEXOMA PARKWAY, SHERMAN, TX 75090 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

KELLY SQUARE, INC., A TEXAS CORPORATION

By: 
ROBERT W MINSHEW, PRESIDENT of KELLY
SQUARE, INC., A TEXAS CORPORATION

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

This instrument was acknowledged before me on _____, 20____ by ROBERT W MINSHEW, PRESIDENT of KELLY SQUARE, INC., A TEXAS CORPORATION a Texas corporation, on behalf of said corporation.

Notary Public, State of Texas



Sherman
CLASSIC TOWN, BROAD HORIZON.

Engineering Department

115 S Travis Street

0 25 50 100 150 200 Feet





Sherman
CLASSIC TOWN, BROAD HORIZON.
Engineering Department

115 S Travis Street

0 25 50 100 150 200 Feet

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SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 2.

Meeting Date: 03/16/2015

Prepared By: Don Keene, Director of Community and Support Services

Approved By: George Olson, City Manager

Caption:

RESOLUTION NO. 5949

Awarding a Bid to and Authorizing Execution of a Contract with Glover Mowing & Landscaping Company for the 2015 City Parks and Grounds Finish Mowing Contract

Issue:

To consider awarding a bid to and authorizing execution of a contract with Glover Mowing & Landscaping Company of Sherman, Texas for the annual finish mowing of City Parks and Grounds

Background:

In order to optimize efficiency and maintenance, City staff contracts for finish mowing for various City-owned properties on an annual basis. At the February 16, 2015 regular City Council meeting, City staff recommended rejection of all current bids and to redo bid process with additional bid requirements in the bid specifications. The project was advertised, pursuant to the City Council's original approval at the December 15, 2014 meeting and subsequent February 16, 2015 meeting; and five (5) bids were received for the Parks/Grounds Finish Mowing contract. The work was bid as an annual contract with the option for two (2) additional one (1) year renewals, contingent upon approval of funds by the City Council for those respective budget years and the desire of the City to extend the contract. The low bidder for this invitation was Glover Mowing & Landscaping Company of Sherman, Texas. Annual costs are estimated to be \$39,112.00.

Origination:

Parks and Recreation Department

Financial Consideration:

Funds have been budgeted this year to cover the contract amount.

Staff Recommendation:

Award the bid and authorize the City Manager to execute a contract with Glover Mowing & Landscaping Company of Sherman, Texas.

Alternatives:

As may be recommended by the City Council

Attachments

Resolution No. 5949

Contract for Mowing Services

Bid Tabulation

RESOLUTION NO. 5949

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH GLOVER MOWING & LANDSCAPING COMPANY FOR THE 2015 CITY PARKS AND GROUNDS FINISH MOWING CONTRACT; 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 Glover Mowing & Landscaping Company of Sherman, Texas, is hereby awarded the City of Sherman's 2015 City Parks and Grounds Finish Mowing contract, 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 Glover Mowing & Landscaping Company for the City of Sherman's 2015 City Parks and Grounds Finish Mowing contract, in accordance with the terms and provisions of the contract documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2015.

CITY OF SHERMAN, TEXAS

ATTEST: **BY:** _____
CAROLYN S. WACKER, MAYOR

BY: _____
LINDA ASHBY, CITY CLERK

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:

Glover Mowing & Landscaping Company / Jeff Glover

Name

P. O. Box 1304

Address

Sherman, Texas 75091

City, State, Zip

903 893-3222

Telephone

gmlc.tx@gmail.co

Email

DESCRIPTION OF GOODS

This Contract is for the purchase by the City of Sherman, Texas, of the goods services, materials and/or 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:

Finish Mowing Service & Lawn Maintenance Service for **BID NO. 2015-02** included Finish Mowing, Edging, Line trimming Plus picking up trash before mowing and Blowing off all grass clipping on sidewalks, Streets, Parking lots on Properties & Areas around City of Sherman for the Parks & Recreation Department.

[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.

Date of Delivery

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. This Contract may extend for two additional one (1) year periods upon notice of intent to renew being issued in writing by the City within forty-five (45) days prior to Contract expiration date.

DURATION: From March 16, 2015 to March 15, 2016

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 purchase order after each delivery. Invoices shall indicate the purchase order number, and shall be itemized. A copy of the packing slip should be attached to the invoice and mailed 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 on the purchase order or in any other written designation by 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:** 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.

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 warrants 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 issued 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.

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.

26. **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.
27. **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.
28. **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.
29. **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.

EXCUTED this _____ day of _____
SELLER:

Jeff Glover
(Signature)

Jeff Glover / Owner
(Type/Print Name and Title/Position)

P. O. Box 1304
(Address)

Sherman, Texas 75091
(City, State, Zip)

CITY OF SHERMAN:

By: _____
George Olson,
City Manager
220 W. Mulberry
Sherman, TX 75090

ATTEST:

By: _____
Linda Ashby,
City Clerk

APPROVED:

Brandon Shelby
City Attorney

**CITY OF SHERMAN
BID TABULATION
FINISH MOWING 2015
BID OPENING Tuesday, March 10, 2015; 10:00 AM**

[illegible]



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 3.

Meeting Date: 03/16/2015

Prepared By: Don Keene, Director of Community and Support Services

Approved By: George Olson, City Manager

Caption:

*** RESOLUTION NO. 5950**

Awarding a Bid to and Authorizing Execution of a Contract with AMX Premium Cleaning Services, LLC for the 2015 City Parks and Grounds Restroom Cleaning Contract

Issue:

To consider awarding a bid to and authorizing execution of a contract with AMX Premium Cleaning Services, LLC of Dallas, Texas for the annual park restroom cleaning services

Background:

The City of Sherman Parks and Recreation Department annually contracts the cleaning of its park restrooms. A request to advertise for public bids was approved by the City Council in its meeting of January 19, 2015. The new services contract was publicly advertised; and three (3) vendors submitted bids on February 26, 2015. The low bidder for this invitation to bid was AMX Premium Cleaning Services, LLC. Annual costs are estimated to be \$34,575.00.

Origination:

Parks and Recreation Department

Financial Consideration:

Funds have been budgeted this year to cover the contract amount.

Staff Recommendation:

Award the bid and authorize the City Manager to execute a contract with AMX Premium Cleaning Services, LLC of Dallas, Texas.

Alternatives:

As may be recommended by the City Council

Attachments

Resolution No. 5950

Contract for Park Restroom Cleaning Services

Insurance Certificate

Bid Tabulation

RESOLUTION NO. 5950

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH AMX PREMIUM CLEANING SERVICES, LLC FOR THE 2015 CITY PARKS AND GROUNDS RESTROOM CLEANING CONTRACT; 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 AMX Premium Cleaning Service, LLC of Dallas, Texas, is hereby awarded the City of Sherman's 2015 City Parks and Grounds Restroom Cleaning contract, 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 AMX Premium Cleaning Service, LLC of Dallas, Texas for the 2015 City Parks and Grounds Restroom Cleaning contract, in accordance with the terms and provisions of the contract documents attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2015.

CITY OF SHERMAN, TEXAS

BY: _____

ATTEST:

CAROLYN S. WACKER, MAYOR

BY: _____

LINDA ASHBY, CITY CLERK

**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:

AMX Premium Cleaning Services LLC
Name

2351 W. Northwest Hwy Suite 2140
Address

Dallas Tx. 75220
City, State, Zip

214-932-3155
Telephone

james.gammel@amxpcs.com
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:

Janitorial Services / Paper Goods

[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.

_____ Date of Delivery

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 conclusion of the duration of this Contract, Buyer may renew this agreement for four additional (1) year periods upon sending written notice within forty-five (45) days prior to the expiration of the last day of the term of this Contract.

DURATION: From March 16, 2015 to February 28, 2016

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 purchase order after each delivery. Invoices shall indicate the purchase order number, 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 on the purchase order or in any other written designation by 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.
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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 warrants 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 issued 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.

EXECUTED this 11th day of March, 2015.

SELLER:

James Gammel
(Signature)

James Gammel
(Type/Print Name and Title/Position)

2351 W. Northwest Hwy. Suite 2140
(Address)

Dallas TX 75220
(City, State, Zip)

CITY OF SHERMAN:

By: _____
Robby Hefton,
City Manager
220 W. Mulberry
Sherman, TX 75090

ATTEST:

By: _____
Linda Ashby,
City Clerk

APPROVED:

Brandon Shelby
City Attorney



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/9/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Neely, Craig & Walton LLP dba NCW Insurance A Member of K&S Group Inc PO Box 506 Amarillo TX 79105	CONTACT NAME: Phyllis Garrison, ACSR, CIC PHONE (A/C, No, Ext): (806) 376-6301 FAX (A/C, No): (806) 376-1449 E-MAIL ADDRESS: pgarrison@neely.com
INSURED AMX PCS, LLC DBA AMX Premium Cleaning Services 2351 W, NorthWest Hwy Suite 2140 Dallas TX 75220	INSURER(S) AFFORDING COVERAGE INSURER A: United Fire & Casualty Co NAIC #: 13021 INSURER B: Texas Mutual Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: 14-15 all

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS				
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR	☒	85319971	10/2/2014	10/2/2015	EACH OCCURRENCE \$ 1,000,000				
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000									
	MED EXP (Any one person) \$ 5,000									
	PERSONAL & ADV INJURY \$ 1,000,000									
GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC						GENERAL AGGREGATE \$ 2,000,000				
						PRODUCTS - COMP/OP AGG \$ 2,000,000				
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☒ HIRED AUTOS	☒	85319971	10/2/2014	10/2/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000				
	☒ SCHEDULED AUTOS					BODILY INJURY (Per person) \$				
	☒ NON-OWNED AUTOS					BODILY INJURY (Per accident) \$				
						PROPERTY DAMAGE (Per accident) \$				
A	UMBRELLA LIAB ☒ OCCUR EXCESS LIAB ☐ CLAIMS-MADE	☒	85319971	10/2/2014	10/2/2015	EACH OCCURRENCE \$ 2,000,000				
	DED ☒ RETENTION \$ 10,000					AGGREGATE \$ 2,000,000				
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N ☐ N/A	TSF 0001276671	10/2/2014	10/2/2015	WC STATUTORY LIMITS ☐ OTH-ER ☐				
	E.L. EACH ACCIDENT \$ 1,000,000									
	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000									
	E.L. DISEASE - POLICY LIMIT \$ 1,000,000									

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate holder is included as additional insured CG 7208 (09/13) with regard to work performed by or on behalf of the Named Insured where required by written contract.

Janitorial Services

CERTIFICATE HOLDER

CANCELLATION

The City of Sherman Attn: Sherman City Clerk PO BOX 1106 Sherman, TX 75091-1106	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE J Neely, III, CPCU, CIC/ <i>J M Neely III</i>

**CITY OF SHERMAN
BID TABULATION
PARKS AND RECREATION RESTROOM CLEANING
BID OPENING Thursday, February 26, 2015; 3:00 PM**

[illegible]



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. C. 4.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

*** RESOLUTION NO. 5951**

Authorizing Execution of an Agreement with Tobar Properties, LLC for the Abatement of Ad Valorem Property Taxes for the Construction of a New Single-Family Residence at 521 East Pacific Street

Issue:

This item is to consider property tax abatement for the construction of a new single-family residence at 521 East Pacific Street.

Background:

Several years ago, the City Council began a residential tax abatement program to encourage the redevelopment of older sections of town. This application is for the construction of a new single-family residence at this location. This lot is in the designated zone for residential tax abatement.

Origination:

Tobar Properties, LLC, Mario Tobar, Applicant

Financial Consideration:

A \$75.00 application fee has been received for this residential lot. If granted, the initial abatement for this property will be approximately \$226.20 annually.

Staff Recommendation:

The staff recommends approval of this abatement since it meets the requirements of the process.

Alternatives:

The City Council could decide against granting this abatement.

Attachments

Resolution No. 5951

Residential Tax Abatement Agreement

Application

Warranty Deed

Survey

Building Permit

Site Plan

Photo

Location Map

Reinvestment Zone Map

RESOLUTION NO. 5951

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH TOBAR PROPERTIES, LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 521 EAST PACIFIC STREET; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to receipt of a fully-executed agreement from Tobar Properties, LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an agreement with Tobar Properties, LLC for the abatement of ad valorem property taxes for a period of ten (10) years, for the construction of one (1) new single-family residence at 521 East Pacific Street, lying within the City of Sherman's Residential Tax Reinvestment Zone, in accordance with the City's policies and procedures established for this purpose.

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

PASSED AND APPROVED on this the ____ day of _____, 2015.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
CAROLYN S. WACKER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

AGREEMENT

THIS AGREEMENT, entered into by and between the **CITY OF SHERMAN, TEXAS**, a home rule city and municipal corporation of the State of Texas, duly acting herein by and through its City Manager, hereinafter referred to as CITY, and **TOBAR PROPERTIES, LLC**, hereinafter referred to as OWNER,

WITNESSETH:

WHEREAS, on the 18th day of April, 2011, the City Council of Sherman, Texas, passed Ordinance No. 5692 establishing a reinvestment zone for residential tax abatement, as authorized by Chapter 312 of the Texas Tax Code, as amended, hereinafter referred to as CODE; and

WHEREAS, the CITY has adopted a resolution (Resolution No. 5571) stating that it elects to be eligible to participate in a residential tax abatement program; and

WHEREAS, the CITY desires to create the proper economic and social environment to induce the investment of private resources in real estate construction located in incorporated areas of the CITY; and

WHEREAS, the CITY hereby finds that it may effectively encourage and assist the creation of such an environment by participating in tax abatement pursuant to the CITY; and

WHEREAS, the CITY has created a reinvestment zone within its jurisdiction to induce the investment of private resources in real estate construction located in incorporated areas of the CITY, and OWNER has agreed to construct certain real property improvements; and

WHEREAS, OWNER is prepared to comply with the provisions of the CITY'S guidelines and criteria enacted the 18th day of April, 2011;

NOW, THEREFORE, WITNESS THIS TAX ABATEMENT AGREEMENT which provides as follows:

I.

1.01 To the extent authorized by the Texas Constitution and by the Tax Code, CITY hereby agrees to exempt from City of Sherman taxation a portion of the increase in value of taxable real property of OWNER in the CITY over the same real property and its value as calculated by the Grayson Appraisal District for ad valorem property tax purposes in accordance with the following schedule. Such tax exemption shall be in effect for tax years beginning January 1, 2015, and continuing for tax years 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022,

2023 and 2024, with same constituting ten (10) tax years. However, nothing contained herein shall be construed to grant an abatement of taxes to be assessed based on the change of use of the property from an agricultural use to another use, sometimes referred to as rollback taxes, penalties or interest. In the event rollback taxes are applicable for the real property utilized by OWNER, then such increase in value of taxable property resulting from such rollback shall be used as the tax value for such property for the tax year 2015, sometimes referred to herein as the Base Tax Year.

SCHEDULE OF TAXES ASSESSED

<u>TAX YEAR</u>	<u>ABATEMENT</u>
2015	100%
2016	100%
2017	100%
2018	100%
2019	100%
2020	100%
2021	80%
2022	60%
2023	40%
2024	20%

II.

2.01 OWNER warrants and represents that the real property upon which OWNER has constructed or will construct improvements is qualified property within the meaning of that Act, and that such has been and will remain eligible for tax abatement under the provisions of the Property Redevelopment and Tax Abatement Act, Sections 312.001, et seq., Texas Tax Code.

2.02 To continue to qualify for tax abatement under the terms of this Agreement, OWNER hereby warrants and represents that the improvements made by OWNER on the real property described herein are for residential use.

2.03 The tax abatement granted under the terms of the Agreement shall only be implemented if appraised value of all real property and improvements located thereon owned by OWNER and lying within designated zone exceeds the base year value. The OWNER agrees that Grayson Appraisal District shall, at reasonable times upon reasonable notice, have access to the property made the subject of this Agreement, and that the above set forth inspectors shall be able to inspect the property to insure that the improvements are being made in accordance with the terms and conditions hereof and utilized in accordance with this Agreement.

III.

3.01 The term of this Agreement shall be for tax years 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024, as indicated above in paragraph 1.01.

IV.

4.01 The kind, number and location of all proposed property improvements are set forth as follows:

Construction of one (1) new single-family residence at 521 East Pacific Street, Sherman, Texas, and as more particularly described by the following:

BEING the East one-half (1/2) of Lots Five (5) and Eight (8) in Block 8, G.W. Bond's Second Addition

5.01 OWNER agrees that, should he fail to make improvements substantially as described or fail to perform any other term or covenant hereof, CITY shall have the right, after giving notice and opportunity to cure as hereinafter set out, to recapture all tax revenue on said property in the zone lost as a result of this Agreement for the entire term of the Agreement. Such recapture shall mean that all of such property shall be taxed at the full improved value as assessed by the Grayson Appraisal District for all years this Agreement has been in effect. The payment of such recaptured taxes minus any taxes paid by OWNER during the years this Agreement has been in force shall be due January 1 of the next following year and shall be delinquent if not paid on or prior to January 31st. Penalties and interest shall be calculated thereafter as if all taxes had become due in the same year. The CITY agrees prior to enforcement of the terms of this paragraph to give 120 days written notice to the address shown below of OWNER'S default in completing the improvements called for in this Agreement, and OWNER shall have the right to cure such default within the 120-day period.

VI.

6.01 This Agreement shall inure to the benefit of CITY and OWNER, and shall be binding upon them, their heirs, successors and assigns. It is specifically provided and agreed that the right to tax abatement shall inure to the benefit of subsequent owners so long as the term and conditions of this Agreement are in effect.

VII.

7.01 CITY agrees that this Agreement may be assigned and the improvements leased or sub-leased, without any further necessity for consent, by the OWNER to any person, firm or corporation.

VIII.

8.01 At any time before the expiration of the term hereof, this Agreement may be modified by the mutual action of the parties hereto to include other provisions that could have been included in the original agreement or to delete provisions that were not necessary to the original agreement. Such modification must be in writing and signed by all the parties hereto and made by the same procedure by which the original Agreement was approved and executed. In no event may the original Agreement be modified so as to extend the term beyond the original term of this Agreement.

IX.

9.01 This Agreement shall be construed subject to the laws of the State of Texas, and particularly to the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code.

9.02 All appraisal values for real property shall be made by the Grayson Appraisal District or such other entity as may succeed or replace such District.

9.03 OWNER is hereby notified that the Grayson Appraisal District may impose additional requirements which must be met in order for OWNER to realize the benefit of tax abatement and this Agreement. Contact should be made by OWNER with the District in person at 512 North Travis Street, Sherman, Texas, or by telephone at (903) 893-9673.

X.

10.01 This Agreement is subject to all provisions of all outstanding bond issues of CITY. To the extent that this Tax Abatement Agreement conflicts with any of the provisions of such bond issues, such bond issues and attendant documents thereto shall control.

XI.

11.01 This Tax Abatement Agreement is specifically subject to present laws of the State of Texas and any future laws enacted subsequent to the execution of this Agreement which may provide retroactively for a modification of Agreements of this type as a matter of law. Upon the effective date of any such law, then this Agreement shall automatically be so modified.

XII.

12.01 Notices required by this Agreement shall be mailed to the following addresses as same may be in the future changed by either party upon written notice to the other:

City of Sherman
P.O. Box 1106
Sherman, Texas 75091-1106
(903) 892-7200

Tobar Properties, LLC
1308 Pintail Drive
Sherman, Texas 75092
(903) 816-0416

Copy to: Grayson Appraisal District
512 North Travis Street
Sherman, Texas 75090
(903) 893-9673

This Agreement is performable in Grayson County, Texas. Witness our hands on this the

_____ day of _____, 2015.

CITY:
CITY OF SHERMAN, TEXAS

OWNER:
TOBAR PROPERTIES, LLC

BY: _____
GEORGE OLSON
CITY MANAGER

BY: _____
MARIO TOBAR

ATTEST:

BY: _____
LINDA ASHBY
CITY CLERK

APPROVED AS TO FORM
AND CONTENT:

BY: _____
BRANDON S. SHELBY
CITY ATTORNEY

THE STATE OF TEXAS §
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared **MARIO TOBAR**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein express.

GIVEN UNDER MY HAND and seal of office this _____day of _____, 2015 A.D.

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

**CITY OF SHERMAN
APPLICATION FOR RESIDENTIAL TAX ABATEMENT**

Property Owner:

Name: Manio Tobar Tobar's Properties LLC

Mailing Address: 1308 Pintail Dr, Sherman TX

Telephone Number: ~~580~~ ~~777~~ (903) 816-0416

Contact (if different than owner):

Name: _____

Mailing Address: Same

Telephone Number: _____

Property:

Physical Address: 521 E Pacific

Summary Legal Description: Lot: E 1/2 S 8 Block: 8 Addition: G.W. Bond's
2nd addition

Full Legal Description: Include as an attachment a full legal description with metes and bounds.

Improvements:

Type of Improvements (please check one). New Construction: ☒ Remodeling: ☐

Estimated Value of Improvements: \$65,000.

Estimated Date of Start of Construction: 02/27/15

Estimated Date of Completion of Project: 04/27/15

Description of Project: _____

New Residential Home

Applicant(s): 

Date: 02/27/15

Date: _____

00024018 OR 0545 308

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR DRIVER'S LICENSE NUMBER. GCT 38386A

WARRANTY DEED

DATE: December 18, 2014

GRANTORS: RODGER BATEMAN and BOB D. CATHEY
320 N. Crockett, Sherman, Texas 75090

GRANTEE: TOBAR'S PROPERTIES, LLC
1308 Pintail Drive, Sherman, Grayson County, Texas 75092

CONSIDERATION: For and in consideration of the sum of Ten and No/100ths Dollars (\$10.00) and other good and valuable consideration to the undersigned paid, the receipt and sufficiency of which is hereby acknowledged.

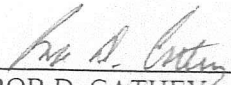
PROPERTY (including improvements):

BEING EAST ONE-HALF (½) OF LOTS FIVE (5) and EIGHT (8) in BLOCK EIGHT (8) of G. W. BOND'S SECOND ADDITION to the plat recorded in Volume "M", Page 63, Deed Records, Grayson County, Texas And being the same property conveyed by Sheriff's Deed dated December 21, 2009, filed December 29, 2009, and recorded in Volume 4610, page 848, Official Public Records, Grayson County, Texas.

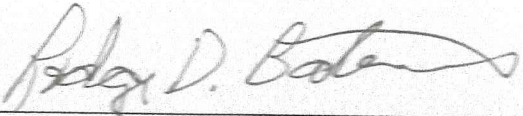
RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTIES:

All presently valid restrictions, reservations, covenants, conditions, rights-of-way, easements, mineral leases, and royalty and mineral conveyances now outstanding and of record, if any, in Grayson County, Texas, affecting the herein described property.

Grantors, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grant, sell and convey to Grantee the property together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold to Grantee, Grantee's successors or assigns forever. Grantors bind Grantors and Grantors' heirs, executors, administrators and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

> 

BOB D. CATHEY

> 

RODGER D. BATEMAN

State of Texas
County of Grayson

This instrument was acknowledged before me on the 19th day of December, 2014, by Bob D. Cathey and Rodger D. Bateman.

CITY OF SHERMAN

RESIDENTIAL BUILDING PERMIT

PERMIT #: 150348 SUBCONTRACTOR: TOBAR PROPERTIES LLC DATE ISSUED: 2/27/2015

PROJECT ADDRESS:	521 E PACIFIC ST	LOT #:	E/2 5 & 8
PARCEL ID:	161310	BLK #:	8
SUBDIVISION:	BONDS 2ND ADDN	ZONE ORD:	R-1 AND COLLEGE PARK OVERLAY
ISSUED TO:	TOBAR PROPERTIES LLC	CONTRACTOR:	TOBAR PROPERTIES LLC
ADDRESS:	1308 PINTAIL DR	ADDRESS:	1308 PINTAIL DR
CITY, ST ZIP:	SHERMAN TX 75092	CITY, ST ZIP:	SHERMAN TX 75092
PHONE:	903-816-0416	PHONE:	
PROP. USE:	ONE FAMILY RESIDENTIAL	SQ FT:	1,300.00
WORK:	NEW RESIDENTIAL CONSTRUCTION	BEDROOMS:	3
VALUATION:	\$ 65,000.00	BATHROOMS:	2
OCCP TYPE:	ONE FAMILY RESIDENTIAL	STORIES:	1
CNST TYPE:	WOOD FRAME		

FEE CODE	DESCRIPTION	AMOUNT
BLD10	RESIDENTIAL STORMWATER MGMT	\$ 25.00
	TOTAL	\$ 25.00

NOTES:

NOTICE

THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZED IS NOT COMMENCED WITHIN 6 MONTHS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 6 MONTHS AT ANY TIME AFTER WORK IS STARTED.

I HEREBY CERTIFY THAT I HAVE READ AND EXAMINED THIS DOCUMENT AND KNOW THE SAME TO BE TRUE AND CORRECT. ALL PROVISIONS OF LAWS AND ORDINANCES GOVERNING THIS TYPE OF WORK WILL BE COMPLIED WITH WHETHER SPECIFIED HEREIN OR NOT. GRANTING OF A PERMIT DOES NOT PRESUME TO GIVE AUTHORITY TO VIOLATE OR CANCEL THE PROVISION OF ANY OTHER STATE OR LOCAL LAW REGULATING CONSTRUCTION OR THE PERFORMANCE OF CONSTRUCTION.

(SIGNATURE OF CONTRACTOR OR AUTHORIZED AGENT)

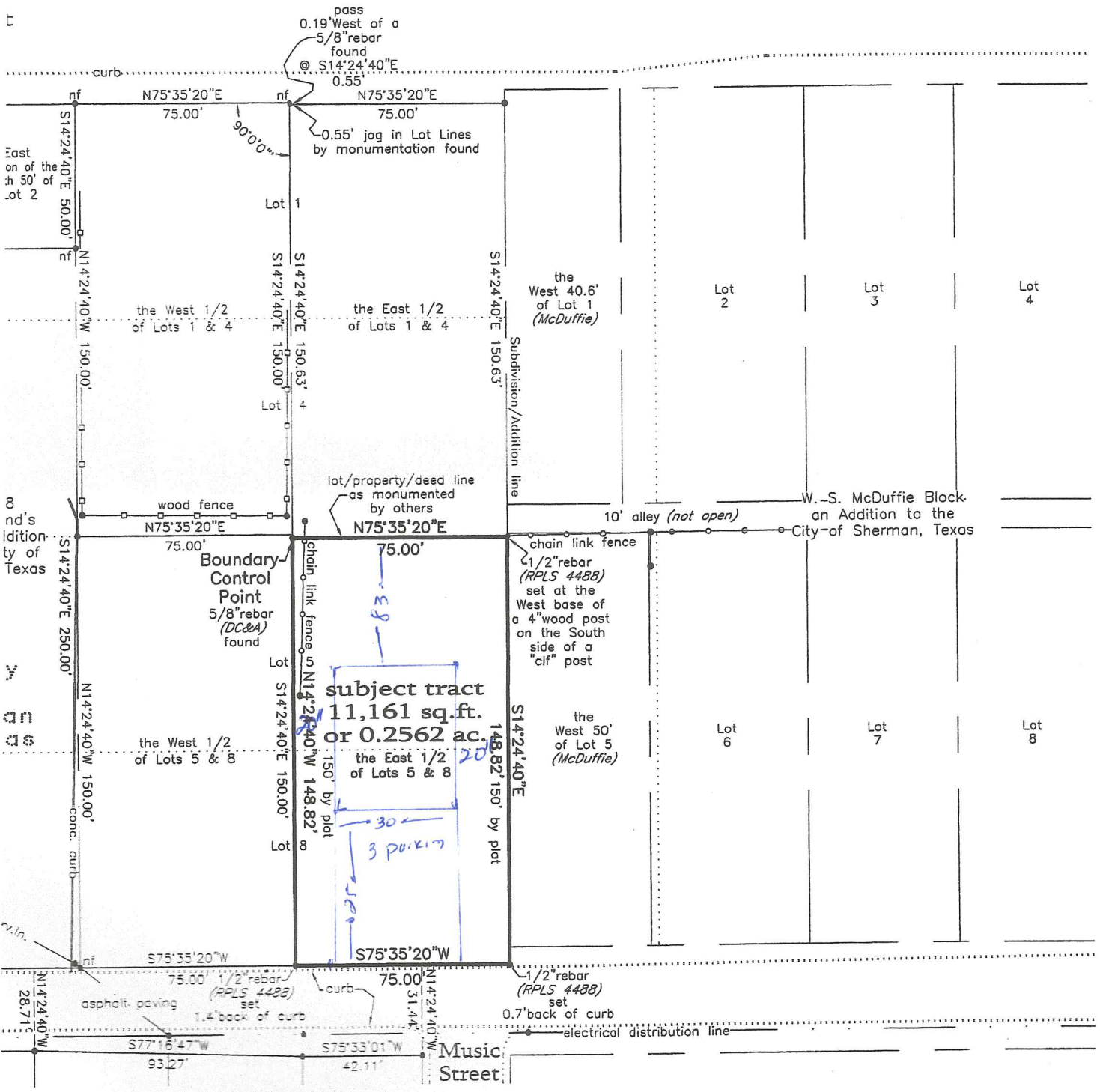
2/27/15
DATE

(APPROVED BY) FLOOD PLAIN ADMINISTRATOR

2/27/15
DATE

(APPROVED BY) BUILDING & ZONING

1/1/15
DATE



I, the undersigned, do hereby certify that a survey was performed on this property and that this survey complies with both the General Rules of Practice and Procedure of Professional Land Surveying and the current Texas laws and correct representation of the property shown hereon.

(1/2) of Lots 5 & 8, Block 8, G. W. Bond's Second Subdivision, recorded in Volume "M", Page 63, Deed Records, Grayson County, Texas.

This survey is within the limits of any designated 100-year Flood Hazard Area for Grayson County, Texas, Revised Date: September 29, 2015.

This survey was prepared for the sole benefit of the Owner of the property (construction loan) by and between the Owner, the undersigned, and the Owner's Lender/Mortgage Co. and is null and void for any other purpose or 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.

BILLY F. HELVEY
 4488
 PROFESSIONAL LAND SURVEYOR

Billy F. Helvey
 Billy F. Helvey, R. P. L. S. No. 4488
 Copyright Date: February 10, 2015

521 E. Pacific





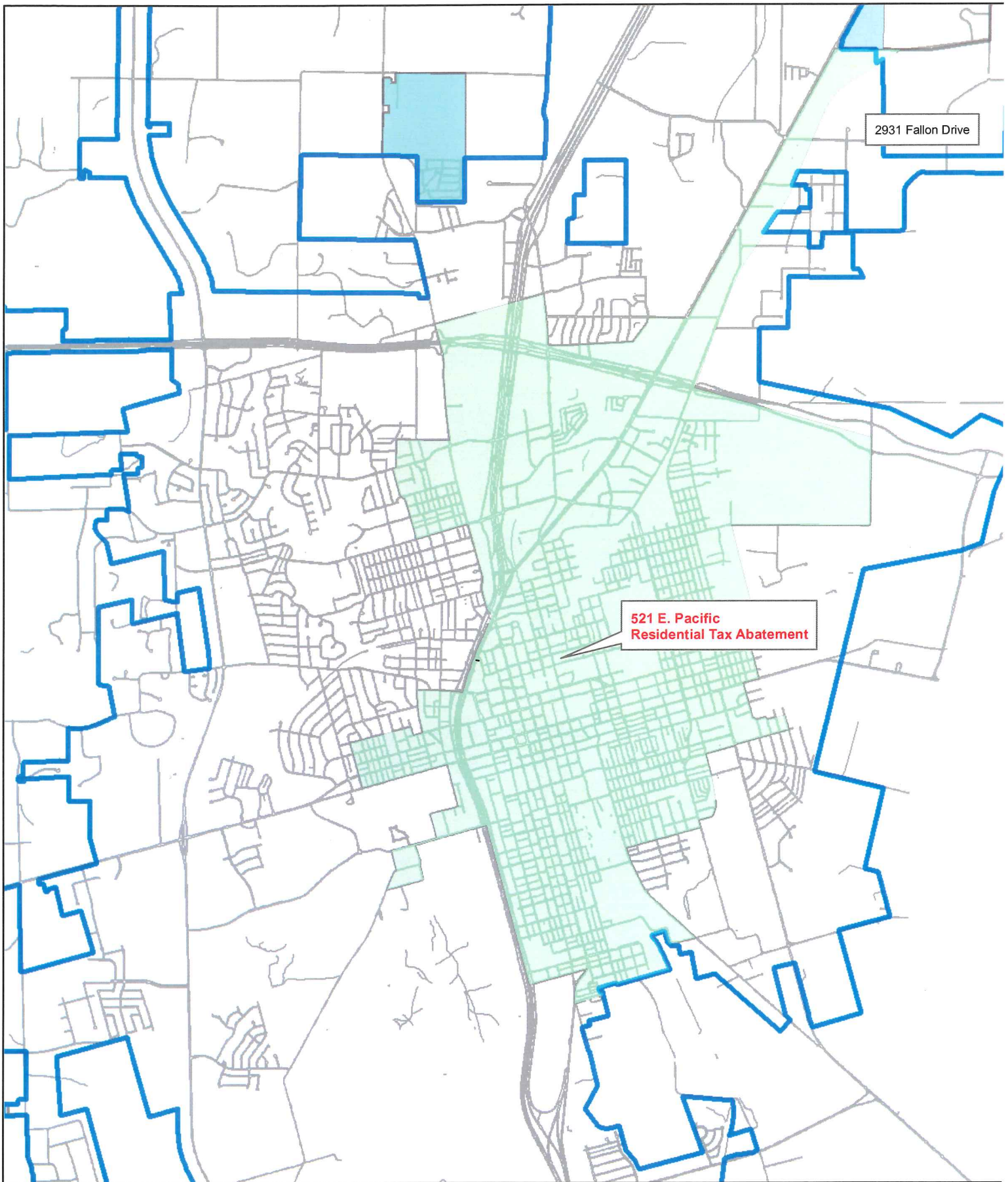
521 E. Pacific



NOT TO SCALE

City of Sherman, Texas
Developmental Services Department

1 inch = 93 feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 1.

Meeting Date: 03/16/2015

Prepared By: Robby Hefton, Assistant City Manager/CFO

Approved By: George Olson, City Manager

Caption:

OTHER BUSINESS

Accept Annual Audit Report for Year Ended September 30, 2014 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, 2014

Background:

On March 4, 2015, the Audit Committee, City Manager and Controller met with the City's external auditors to discuss the results of the independent audit for the year ended September 30, 2014. 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, 2014 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 16, 2015 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



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 2.

Meeting Date: 03/16/2015

Prepared By: Robby Hefton, Deputy City Manager

Approved By: George Olson, City Manager

Caption:

OTHER BUSINESS

Consider Joshua Loe's Request to Ban Smoking in Restaurants and Bars located within Sherman's City Limits

Issue:

Citizen Joshua Loe has approached the City with a request to ban smoking in all restaurants and bars within the City

Origination:

Citizen Joshua Loe

Financial Consideration:

There is no financial impact to be considered.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 3.

Meeting Date: 03/16/2015

Prepared By: Robby Hefton, Deputy City Manager

Approved By: George Olson, City Manager

Caption:

OTHER BUSINESS

Discuss and Consider Approval of the Budget Calendar for Fiscal Year (FY) 2015-2016

Issue:

Set budget calendar for FY 2015-2016

Background:

Several meetings are necessary to develop the budget for the upcoming fiscal year. There is some flexibility in meeting dates reflected in the proposed budget calendar. Particularly important are the dates for the Budget Planning Meeting and the Budget Workshop. The Budget Planning Meeting will be used to garner Council input on Council initiatives to be included in the budget development process. The Budget Workshop will present a more detailed picture of the City budget and will be used to summarize Council direction for the upcoming year.

Included in this year's budget process will be discussion of the five-year financial and operational projections as has been the practice for the past several years. Although we will only be developing a budget and appropriating funds for FY 2015-2016, this five-year time horizon will reflect the impacts of such things as the capital improvement program, debt service, and projected tax base changes on the City's long-term financial outlook.

Origination:

Robby Hefton, Deputy City Manager

Financial Consideration:

None

Staff Recommendation:

The staff recommends that the Council, **by motion and order**, approve the budget calendar as presented and confirm the City Council Chambers as the site for the Budget Planning Meeting and Budget Workshop.

Alternatives:

The City Council could select alternative dates for the meetings, subject to Charter requirements.

Attachments

Proposed Budget Calendar for FY 2015-2016

PROPOSED BUDGET CALENDAR FISCAL YEAR 2015-2016

Budget Planning Meeting with City Council and Financial Update	April 17, 2015
Budget Workshop*	June 18-19, 2015
Present Draft Budget to Council	July 20, 2015
Introduce Budget Ordinance	August 3, 2015
Final Action on Budget Ordinance Introduce Tax Rate Ordinance	August 17, 2015
Final Action on Tax Rate Ordinance	September 8, 2015

Notes:

Meeting times to be confirmed after the Budget Calendar is approved.

It is recommended that the Budget Planning Meeting and the Budget Workshop be held in the City Council Chambers.

- * This is expected to be a one-day Workshop; but an additional day is scheduled as a placeholder in case more time is needed.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 4.

Meeting Date: 03/16/2015

Prepared By: Don Keene, Director of Community and Support Services

Approved By: George Olson, City Manager

Caption:

*** OTHER BUSINESS**

Consider Request of the 2015 Earth Day Planning Committee to Temporarily Close Certain Streets for the "7th Annual Earth Day Festival" on Saturday, April 25, 2015

Issue:

The 2015 Earth Day Planning Committee proposes to hold the "7th Annual Earth Day Festival" on Saturday, April 25th and requests barricades and street closures.

Background:

Ms. Amy Hoffman-Shehan, representing the 2015 Earth Day Planning Committee, proposes to hold the "7th Annual Earth Day Festival" on the Sherman Municipal Grounds from 7:00 a.m. - 5:30 p.m. on Saturday, April 25th. In order to accommodate the festival, the Committee requests delivery and pick up of barricades for street closures around the Municipal Building.

Origination:

Ms. Amy Hoffman-Shehan, Event Organizer, 2015 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, the utilization of the Municipal Grounds, and City resources to accommodate this event.

Alternatives:

As directed by the Council

Attachments

[2015 Earth Day Request Letter](#)

[2015 Earth Day Grounds Map](#)

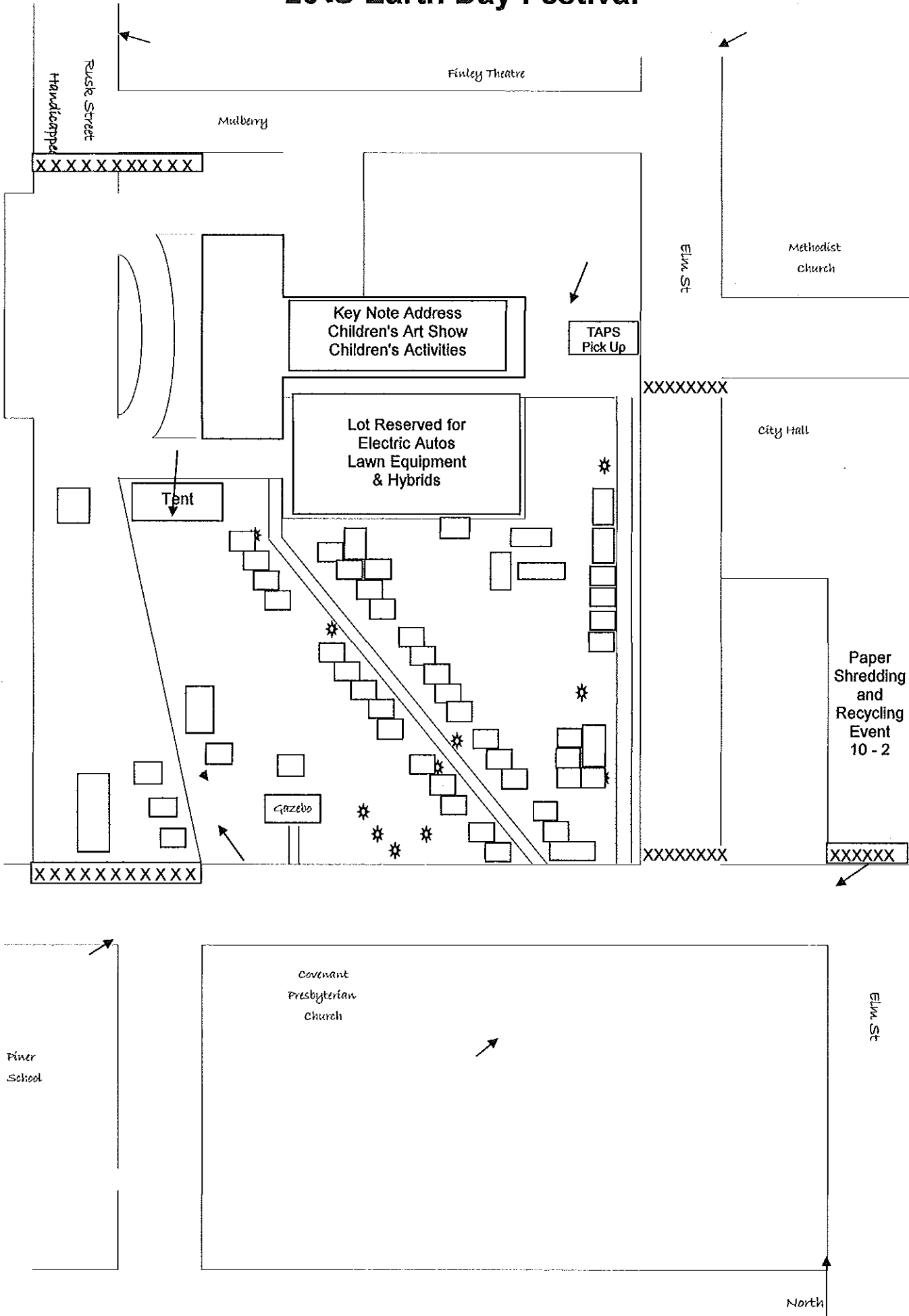
Texoma Earth Day Festival
"Building Green"
Saturday, April 25, 2015
8:30 am to 5:00 pm
Sherman Municipal Grounds, Sherman TX
Key Note Address: 11:00 am

The Texoma Earth Day Festival is a family oriented event where community members come together to learn ways to reduce our impact on the environment. This is a fun filled event with something for everyone - art shows, electric and hybrid vehicles, vendors, workshops, music, food, displays, educational materials, resources, demonstrations, children's activities, pet adoptions, a blood drive and more! Back by popular demand, the Grayson College Art Department will present "Trashion, a Trash Fashion Show" on the gazebo stage. Local band Bat Hat is featured performer.

The Keynote Address is at 11:00 with Austin College Professor of Biology and Environmental Sciences Dr. Keith Kisselle as Key Note Speaker. Dr. Kisselle will discuss the changes we can see and expect in area plant and wildlife as a result of climate change, as well as what we can do to make a difference.

The event offers a variety of recycling opportunities including paper and cardboard, electronic waste (if a current runs through it, it can be recycled), ink and toner cartridges, medicine bottles, Styrofoam, ball caps, eye glasses and sunglasses, and clothing, hand bags, belts and shoes. A paper shredder will be on site for free shredding of sensitive documents. There is a limit of 5 boxes per vehicle, no trailers will be allowed. The service is available to individuals only and not for commercial use.

2015 Earth Day Festival





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 5.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of Austin Landing, Phase One, Block F, Lot 13; being 2.960 acres in the Alexander & Richards Survey, Abstract No. 42, also being Lot 13, Block F, Austin Landing Addition, Phase One; Stonehollow Homes, Owners; and Westwood Professional Services, Surveyor (5100 North Travis Street)

Issue:

To consider Replat approval of Austin Landing, Phase One, Block F, Lot 13; being 2.960 acres in the Alexander & Richards Survey, Abstract No. 42, also being Lot 13, Block F, Austin Landing Addition, Phase One at 5100 North Travis Street

Background:

The property is located at 5100 North Travis Street, between Liberty Hill Trail and Kreager Road. The owners would like to replat one (1) commercial lot containing 2.960 acres to develop a road (Wisteria Lane) to the Austin Landing Phase 2A development.

Origination:

Stonehollow Homes (Owners)

Westwood Professional Services (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 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

P&Z Communication

Staff Review Letter



Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department

**5100 N. Travis
Replat Austin Landing Addn.,
Phase One, Blk. F, Lot 13**



NOT TO SCALE

1 inch = 374 feet



Zoning - 5100 N. Travis Replat Austin Landing Addn., Phase One, Blk. F, Lot 13

Legend		
 ZONING PARCELS	DISTRICT_NAME	 C-2 General Commercial District
Transportation Corridors Overlay	 Arts and Cultural District	 CO Office District
HWY_NAME	 Blalock Commercial Overlay District	 Lakes
 FM 1417	 Central Business District	 M-1 Light Manufacturing District
 Sam Rayburn Freeway	 College Park District	 M-1.5 Medium Manufacturing District
 US Hwy 82 and 75	 Downtown Overlay District	 M-2 Heavy Manufacturing District
Special Districts Overlay	 Historic Preservation District	 MH Manufacturing Housing District
	ZONING PARCELS	 R-1 One Family Residential District
	Zoning Classification	 R-2 Multi-Family Residential District
	 Unknown	 R-A Single Family Agricultural District
	 BIP Blalock Industrial Park	 SF-1 Single Family Residential District
	 C-1 Retail Business District	

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 374 feet

LEGAL DESCRIPTION

SITUATED IN THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, BEING A PART OF THE ALEXANDER & RICHARDS SURVEY, ABSTRACT NO. 42, BEING ALL OF LOT 13, BLOCK F OF AUSTIN LANDING ADDITION, PHASE ONE, AN ADDITION TO THE CITY OF SHERMAN AS SHOWN BY PLAT OF RECORD IN VOLUME 16, PAGE 173 OF THE PLAT RECORDS, GRAYSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" IRON ROD WITH YELLOW CAP STAMPED "WESTWOOD PS" SET IN THE NORTHWESTERLY RIGHT-OF-WAY LINE OF LIBERTY HILL TRAIL (50' PUBLIC RIGHT-OF-WAY) FOR THE SOUTHEAST CORNER OF SAID LOT 13, BLOCK F, AND THE NORTHWEST CORNER OF LOT 12, BLOCK F, OF THE REPLAT OF AUSTIN LANDING ADDITION, PHASE ONE, AN ADDITION TO THE CITY OF SHERMAN AS SHOWN BY PLAT OF RECORD IN VOLUME 21, PAGE 154 OF SAID PLAT RECORDS;

THENCE NORTH 59°38'53" WEST WITH THE NORTH LINE OF SAID LOT 12 A DISTANCE OF 81.39 FEET TO A SET 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS";

THENCE NORTH 74°18'17" WEST A DISTANCE OF 250.24 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS" SET FOR THE SOUTHWEST CORNER OF SAID LOT 13;

THENCE NORTH 15°40'36" EAST A DISTANCE OF 293.78 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS" SET FOR THE NORTHWEST CORNER OF SAID LOT 13;

THENCE ALONG A NON-TANGENT CURVE TO LEFT HAVING A RADIUS OF 530.00 FEET AND AN ARC LENGTH OF 163.04 FEET (CHORD BEARS NORTH 74°56'44" EAST 162.39 FEET) TO A SET 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS";

THENCE NORTH 66°07'59" EAST A DISTANCE OF 75.99 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS" SET IN THE WEST RIGHT-OF-WAY LINE OF F.M. HIGHWAY NO. 131 (TRAVIS STREET) FOR THE NORTHEAST CORNER OF SAID LOT 13;

THENCE SOUTH 23°52'01" EAST WITH SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 355.17 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS" SET AT THE INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF LIBERTY HILL TRAIL;

THENCE WITH THE NORTH RIGHT-OF-WAY LINE OF SAID LIBERTY HILL TRAIL THE FOLLOWING CALLS AND DISTANCES:

SOUTH 21°07'59" WEST A DISTANCE OF 28.28 FEET TO A SET 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS";
SOUTH 66°07'59" WEST A DISTANCE OF 2.21 FEET TO SET 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS";
ALONG A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 275.00 FEET AND AN ARC LENGTH OF 171.74 FEET (CHORD BEARS SOUTH 48°14'33" WEST 168.96 FEET) TO THE POINT OF BEGINNING AND CONTAINING 2.960 ACRES OF LAND.

I, RYAN HAYES, AUTHORIZED AGENT FOR STONEHOLLOW HOMES, L.L.C., OWNERS OF LOT 13R, BLOCK F A REPLAT OF AUSTIN LANDING PHASE ONE TO THE CITY OF SHERMAN, TEXAS, DO HEREBY DEDICATE THE STREETS AND EASEMENTS SHOWN HEREON TO THE PUBLIC USE FOREVER.

AUTHORIZED AGENT FOR STONEHOLLOW HOMES L.L.C.

THE STATE OF TEXAS)
COUNTY OF TARRANT)

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED RYAN HAYES WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT THE SAME WAS THE ACT OF SAID STONEHOLLOW HOMES L.L.C. AND THAT HE EXECUTED THE SAME AS THE ACT OF SUCH PARTNERSHIP FOR THE PURPOSES, AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND SEAL OF OFFICE, THIS _____ DAY OF _____, 2015.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

SURVEYORS CERTIFICATE

I, JASON B. ARMSTRONG, REGISTERED PROFESSIONAL LAND SURVEYOR FOR WESTWOOD, DO HEREBY CERTIFY THAT THE PLAT SHOWN HEREON ACCURATELY REPRESENTS THE RESULTS OF AN ON-THE-GROUND SURVEY MADE IN JANUARY, 2015, UNDER MY DIRECTION AND SUPERVISION, AND FURTHER CERTIFY THAT ALL CORNERS ARE AS SHOWN THEREON, AND THAT SAID PLAT HAS BEEN PREPARED IN ACCORDANCE WITH THE PLATTING RULES AND REGULATIONS OF THE CITY OF SHERMAN, TEXAS;

DATE: THIS THE _____ DAY OF _____, 2015.

JASON B. ARMSTRONG
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 5557

THE STATE OF TEXAS)
COUNTY OF COLLIN)

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED JASON B. ARMSTRONG, WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT THE SAME WAS THE ACT OF THE SAID WESTWOOD PS, AND THAT HE EXECUTED THE SAME AS THE ACT OF SUCH CORPORATION FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED, AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND SEAL OF OFFICE, THIS _____ DAY OF _____, 2015.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

THIS, THE RE-PLAT OF LOT 13, BLOCK F OF AUSTIN LANDING, PHASE ONE TO THE CITY OF SHERMAN, TEXAS, IS HEREBY APPROVED THIS DAY OF _____, 2015, BY THE CITY PLANNING AND ZONING COMMISSION OF THE CITY OF SHERMAN, TEXAS.

CHAIRMAN _____

SECRETARY _____

ACCEPTED BY THE CITY COUNCIL OF SHERMAN, TEXAS

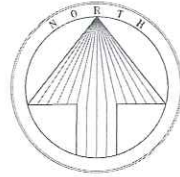
MAYOR, CITY OF SHERMAN, TEXAS _____

DATE _____

THE UNDERSIGNED, THE CITY CLERK OF THE CITY OF SHERMAN, HEREBY CERTIFIES THAT THE FOREGOING RE-PLAT OF LOT 13, BLOCK F OF AUSTIN LANDING, PHASE ONE TO THE CITY OF SHERMAN WAS SUBMITTED TO THE CITY COUNCIL OF SHERMAN, TEXAS, ON THE DAY OF _____, 2015, AND THE CITY COUNCIL BY FORMAL ACTION THEN AND THERE ACCEPTED THE DEDICATION OF STREETS, ALLEYS, EASEMENTS, AND PUBLIC PLACES, AS SHOWN AND SET FORTH IN AND UPON SAID MAP OR PLAT, AND SAID CITY COUNCIL FURTHER AUTHORIZED THE MAYOR TO NOTE THE ACCEPTANCE THEREOF BY SIGNING HIS NAME AS HEREINABOVE SUBSCRIBED.

WITNESS MY HAND THIS _____ DAY OF _____, A.D. 2015.

CITY CLERK, CITY OF SHERMAN, TEXAS _____



LOCATION MAP

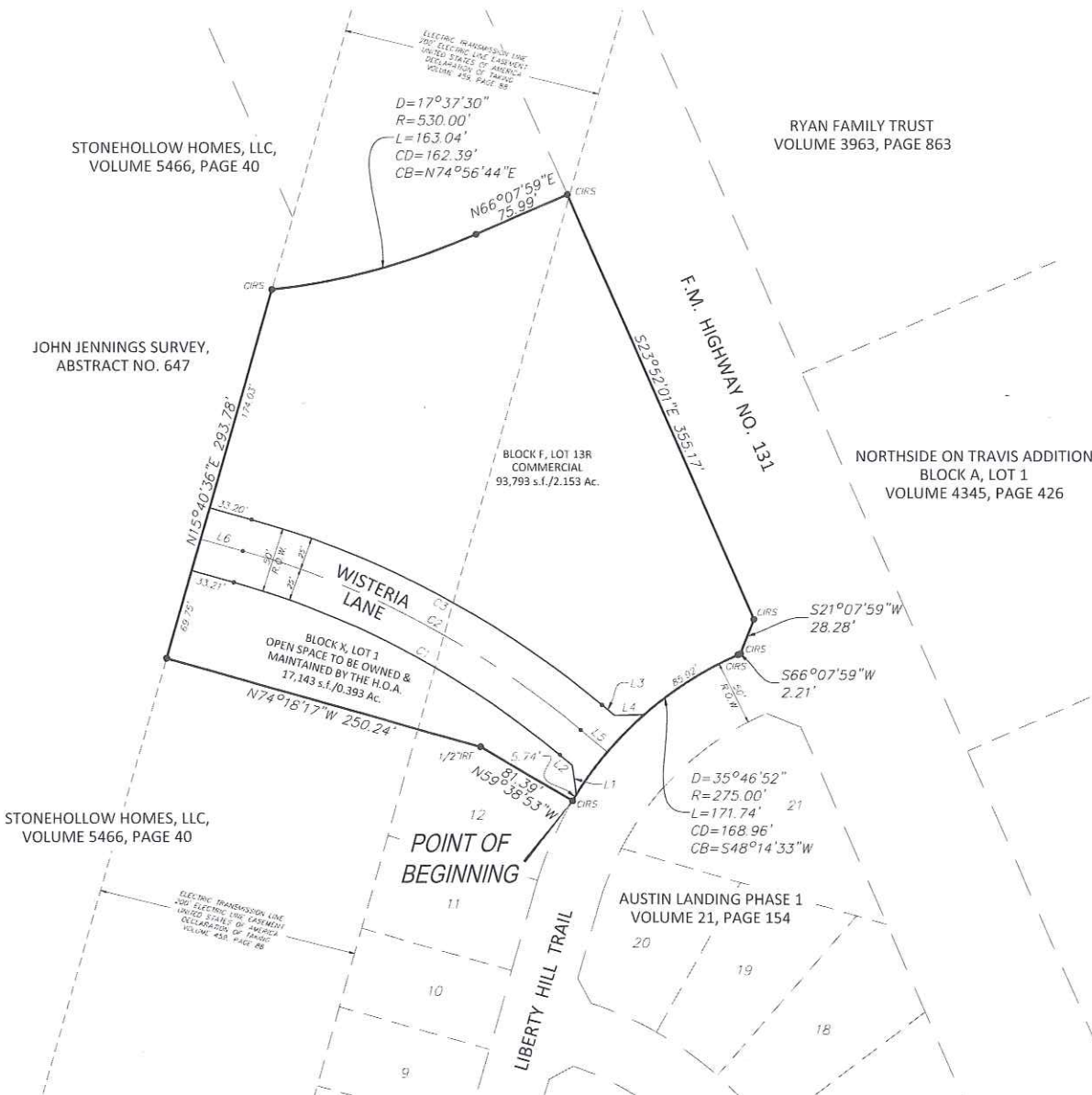
NOT TO A SCALE

LEGEND

5/8" CHRS	5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS" SET
1/2" TRF	1/2" IRON ROD FOUND
P.R.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS
U.E.	UTILITY EASEMENT
D.E.	DRAINAGE EASEMENT
R.O.W.	RIGHT OF WAY
B.L.	BUILDING LINE
	STREET NAME CHANGE

SURVEYOR'S NOTES

- 1) BASIS OF BEARING IS CORRELATED FROM THE CITY OF SHERMAN GEODETIC CONTROL NETWORK, GRID NORTH.
- 2) ALL CORNERS SET ARE MONUMENTED WITH A 5/8" DIAMETER IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS", UNLESS OTHERWISE NOTED.
- 3) SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF CITY SUBDIVISION ORDINANCE AND STATE PLATTING STATUTES AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING CERTIFICATES.



RE - PLAT
OF
AUSTIN LANDING ADDITION
PHASE ONE
BLOCK F, LOT 13

OUT OF THE
ALEXANDER & RICHARDS SURVEY, ABSTRACT NO. 42
IN THE
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
2.960 ACRES

OWNER
STONEHOLLOW HOMES
905 MARKET STREET - SUITE 250 - ALLEN, TEXAS 75013
RYAN M. HAYES 214-872-0346
ENGINEER/SURVEYOR

Westwood

Westwood Professional Services, Inc.
Survey Firm Number: 10074301

2740 North Dallas Parkway
Suite 280 Plano, Texas 75093
(214) 473-4640

JANUARY 30, 2015

#0004156



AUSTIN LANDING PHASE 2A



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 10.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Ron Barton, Commissioner

Sam Thorpe, Commissioner

Ronnie Dutton, Commissioner

Eric Elliott, Commissioner

Chris Vellotti, Commissioner

Sean Vanderveer, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

*** 5100 N. TRAVIS STREET**

The request of Stonehollow Homes (Owners) and Westwood Professional Services, (Surveyors) concerning the property located at 5100 N. Travis Street, being 2.960 aces in the Alexander & Richards Survey, Abstract No. 42, also being Lot 13, Block F, Austin Landing Addition, Phase One, as follows:

Planning and Zoning Commission

Replat approval of Austin Landing, Phase One, Block F, Lot 13

Background:

The property is located at 5100 North Travis Street between Liberty Hill Trail and Kreager Road. The owners would like to replat (1) one commercial lot, containing 2.960 acres to develop a road (Wisteria Lane) to the Austin Landing, Phase 2A development.

Adjacent Zoning:

SF-1 (Single Family Residential) District

C-1 (Retail Business) District

Origination:

Stonehollow Homes (Owners)

Westwood Professional Services, (Surveyors)

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:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Replat

Staff Review Letter

**STAFF REVIEW LETTER**

February 11, 2015

Stonehollow Homes
905 Market Street, Suite 250
Allen, TX 75013

Dear Applicants,

The request for approval of the Replat of Austin Landing, Phase One, Block F, Lot 13, has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 17, 2015 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 the 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 shall conform to TxDOT and 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, additional right-of-way may be required for F.M. Highway No. 131. The total right-of-way for F.M. Highway No. 131 shall be 86'.
5. Curve Table and Line Table shall be shown on the plat.
6. Side Title Bar should reflect the correct name of the subdivision.
7. Lot 1, Block X shall be shown as Lot 13R, Block F.
8. Lot 13R, Block F shall be shown as Lot 1, Block G.
9. A 20' perimeter utility easement shall be shown.
10. Engineering plans for utility, grading and storm drain design in accordance with City ordinances shall be submitted to the City Engineer for approval.
11. Any other changes made to the replat 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.

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 Lisa Whitfield, Engineering and Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,



Clint A. Philpott,
City Engineer

cc: George Olson, City Manager Scott Shadden, Director of Development Services
 Brandon Shelby, City Attorney Mark Gibson, Director of Utilities
 Jamie Baggs, Fire Marshal Don Keene, Dir. of Community and Support Services
 Clay Barnett, Director of Public Works and Engineering Lisa Whitfield, Engineering & Development Coordinator
 Westwood Professional Services, 2740 North Dallas Parkway, Suite 280, Plano, TX 75093



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 6.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

*** OTHER BUSINESS**

Final Plat Approval of Austin Landing, Phase 2A; being 26.983 acres in the Alexander & Richards Survey, Abstract No. 42; Stonehollow Homes, Owners; and Westwood Professional Services, Surveyor (4600-5300 Blocks of North Travis Street)

Issue:

To consider Final Plat approval of Austin Landing, Phase 2A; being 26.983 acres in the Alexander & Richards Survey, Abstract No. 42, in the 4600-5300 blocks of North Travis Street

Background:

The property is located in the 4600-5300 blocks of North Travis Street, between North Creek Drive and Kreager Road. The Preliminary Plat of Austin Landing, Phase 2A was approved at the October 21, 2014 Planning and Zoning Commission Meeting. The owners would like to plat Austin Landing, Phase 2A into seventy (70) lots for residential development.

Origination:

Stonehollow Homes (Owners)
Westwood Professional Services (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 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

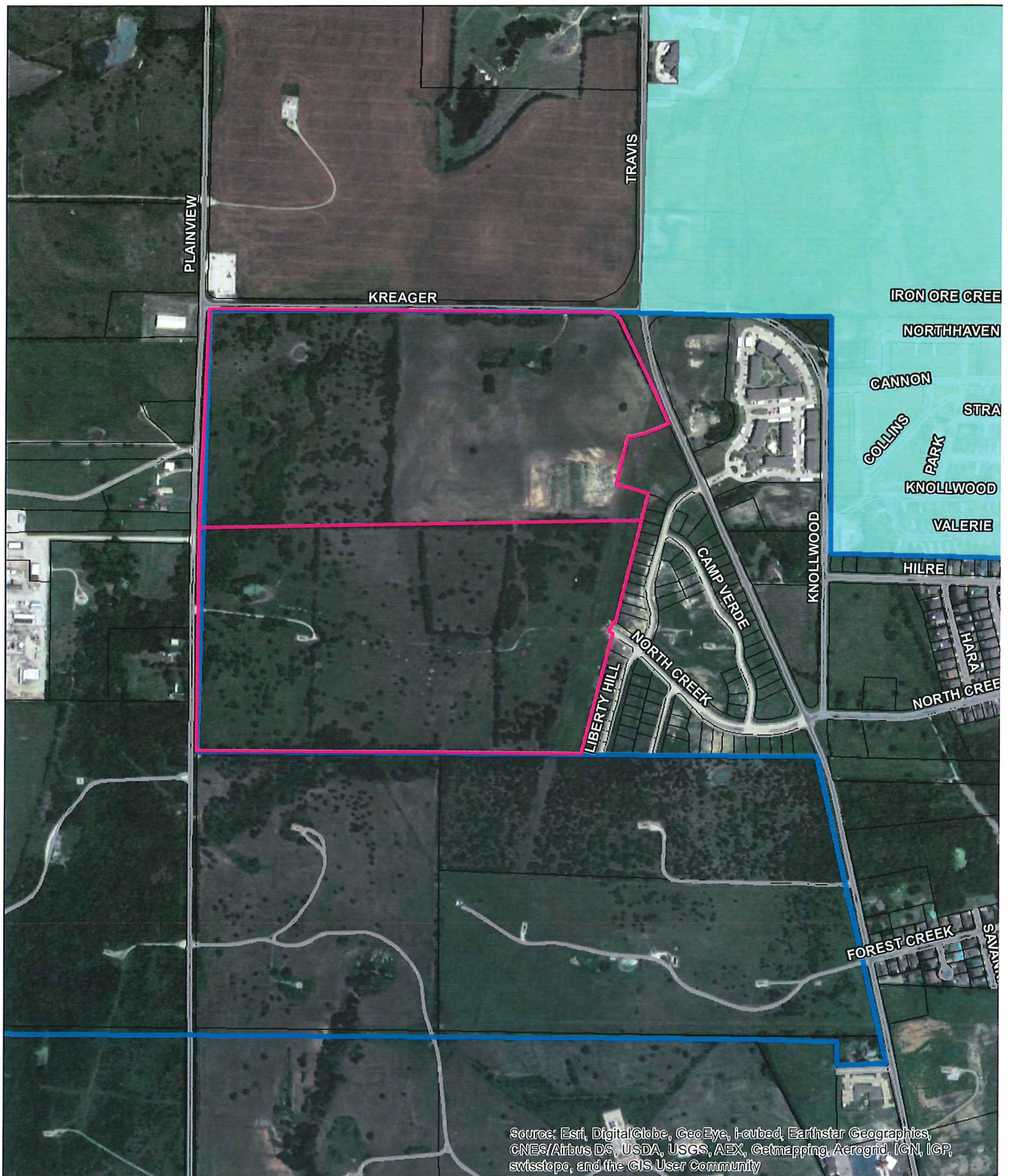
Location Map

Zoning Map

Final Plat

P&Z Communication

Staff Review Letter



City of Sherman, Texas
Developmental Services Department

Austin Landing, Phase 2A 4600-5300 Blocks N. Travis Street



NOT TO SCALE

1 inch = 748 feet



Legend

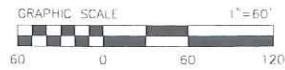
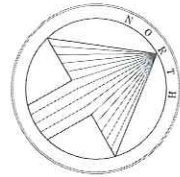


NOT TO SCALE

1 inch = 1,558 feet

Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



LEGEND

5/8" CIRS	5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS" SET
1/2" IRF	1/2" IRON ROD FOUND
P.R.C.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS
U.E.	UTILITY EASEMENT
D.E.	DRAINAGE EASEMENT
R.O.W.	RIGHT OF WAY
B.L.	BUILDING LINE
	STREET NAME CHANGE

SURVEYOR'S NOTES

- 1) BASIS OF BEARING IS CORRELATED FROM THE CITY OF SHERMAN GEODETIC CONTROL NETWORK, GRID NORTH.
- 2) ALL CORNERS SET ARE MONUMENTED WITH A 5/8" DIAMETER IRON ROD WITH YELLOW PLASTIC CAP STAMPED "WESTWOOD PS", UNLESS OTHERWISE NOTED.
- 3) SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF CITY SUBDIVISION ORDINANCE AND STATE PLATTING STATUTES AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING CERTIFICATES.



SUBJECT TRACT

LOCATION MAP

NOT TO A SCALE

AUSTIN LANDING PHASE 2A



FINAL PLAT OF AUSTIN LANDING, PHASE 2A

OUT OF THE
ALEXANDER & RICHARDS SURVEY, ABSTRACT NO. 42
IN THE
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS
70 RESIDENTIAL LOT
26.983 ACRES

OWNER
STONEHOLLOW HOMES
905 MARKET STREET - SUITE 250 - ALLEN, TEXAS 75013
RYAN M. HAYES 214-872-0346
ENGINEER/SURVEYOR

Westwood
Westwood Professional Services, Inc.
Survey Firm Number: 10074301

2740 North Dallas Parkway,
Suite 280 Plano, Texas 75093
(214) 473-4640

JANUARY 30, 2015

1/2

#0004156



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 11.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Ron Barton, Commissioner

Sam Thorpe, Commissioner

Ronnie Dutton, Commissioner

Eric Elliott, Commissioner

Chris Vellotti, Commissioner

Sean Vanderveer, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

*** 4600-5300 BLOCKS N. TRAVIS STREET**

The request of Stonehollow Homes (Owners) and Westwood Professional Services (Surveyors) concerning the property located in the 4600-5300 Blocks N. Travis Street, being 26.983 acres in the Alexander & Richards Survey, Abstract No. 42, as follows:

Planning and Zoning Commission

Final Plat approval of Austin Landing, Phase 2A

Background:

The property is located in the 4600-5300 Blocks of North Travis Street between North Creek Drive and Kreager Road. The Preliminary Plat of Austin Landing, Phase 2A was approved at the October 21, 2014, Planning and Zoning Commission Meeting. The owners would like to plat Austin Landing, Phase 2A into (70) seventy lots for residential development.

Adjacent Zoning:

SF-1 (Single Family Residential) District

C-1 (Retail Business) District

Origination:

Stonehollow Homes (Owners)

Westwood Professional Services, (Surveyors)

Master Plan Designation:

Agricultural and Rural – Typically are large parcels that are primarily used for crops or pasture land. These low density regions surrounding the City do not have significant demands on the transportation or utilities network.

and

Estate – Estate is a large lot residential use (1-5 acres) with open space and a rural street network (ditches and no sidewalk). These homes are unlikely to have access to full service public utilities, especially sewer service.

Number of notices mailed:

Not required.

Objections Received:

0

Attachments

Location Map

Zoning Map

Final Plat

Staff Review Letter

**STAFF REVIEW LETTER**

February 11, 2015

Stonehollow Homes
905 Market Street, Suite 250
Allen, TX 75013

Dear Applicants,

The request for approval of the Final Plat of Austin Landing, Phase 2A, has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 17, 2015 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 the 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 shall conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. Sidewalks on North Creek Drive shall be a width of 5'.
5. Austin Landing Phase 2A will be reviewed in sections, the name on this plat, side title bar and signature sheet shall read Austin Landing Phase 2A-1.
6. The Legal Description call N67° 01' 35"E is shown twice.
7. Lot 1, Block X shall be shown as Lot 1, Block M.
8. Lot 2, Block X shall be shown as Lot 21, Block O.
9. Lot 3, Block X shall be shown as Lot 26, Block L.
10. The width of the pavement for streets shall be shown on the plat.
11. Building Lines shall be removed from the plat.
12. A temporary turnaround shall be dedicated by separate document at the end of North Creek Drive and have a right-of-way of not less than one hundred (100) feet in diameter (Volume and Page shall be noted on the Plat).
13. The centerline radius at C34 and C36 shall meet AASHTO Design Standards.
14. The Drainage and Utility Easements shall run across the 200' HOA Lots.
15. Water and Sewer mains shall be extended to serve the development.
16. Relocation of existing utility pipelines are required outside of the proposed right-of-way.
17. Pipeline easements shall be shown on the plat.
18. Engineering plans for utility, grading and storm drain design in accordance with City ordinances shall be submitted to the City Engineer for approval.

19. Privately owned and maintained detention in accordance with City criteria is required (Volume and Page shall be noted on the Plat).
20. An Operation and Maintenance Manual and Landscaping Plan for the detention pond shall be provided to the Engineering Department prior to issuance of Occupancy Permits.
21. Any other changes made to the final plat 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.

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 Lisa Whitfield, Engineering and Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,



Clint A. Philpott,
City Engineer

cc: George Olson, City Manager Scott Shadden, Director of Development Services
 Brandon Shelby, City Attorney Mark Gibson, Director of Utilities
 Jamie Baggs, Fire Marshal Don Keene, Dir. of Community and Support Services
 Clay Barnett, Director of Public Works and Engineering Lisa Whitfield, Engineering & Development Coordinator
 Westwood Professional Services, 2740 North Dallas Parkway, Suite 280, Plano, TX 75093



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 7.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of Lots 3 & 4, Park Plaza Addition; being 1.860 acres in the Elizabeth Jones Survey, Abstract No. 625; also being All of Lots 3 & 4, Park Plaza Addition; Walt DeRonde, Owner; Greg Edwards Engineering Services, Inc., Engineer; and Cox Land Surveying Company, Surveyor (1900 Block of Creekside Avenue and 3700 Block of West Park Avenue)

Issue:

To consider Replat approval of Lots 3 & 4, Park Plaza Addition; being 1.860 acres in the Elizabeth Jones Survey, Abstract No. 625, in the 1900 block of Creekside Avenue and the 3700 block of West Park Avenue

Background:

The property is located in the 1900 block of Creekside Avenue, at the northwest corner of Creekside Avenue and West Park Avenue in the Pebblebrook Subdivision off of F.M. 1417 South (Heritage Parkway). The owner would like to replat the property into five (5) lots for residential development.

Origination:

Walt DeRonde (Owner)
Greg Edwards Engineering Services, Inc. (Engineer)
Cox Land Surveying Company (Surveyors)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 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

P&Z Communication

Staff Review Letter



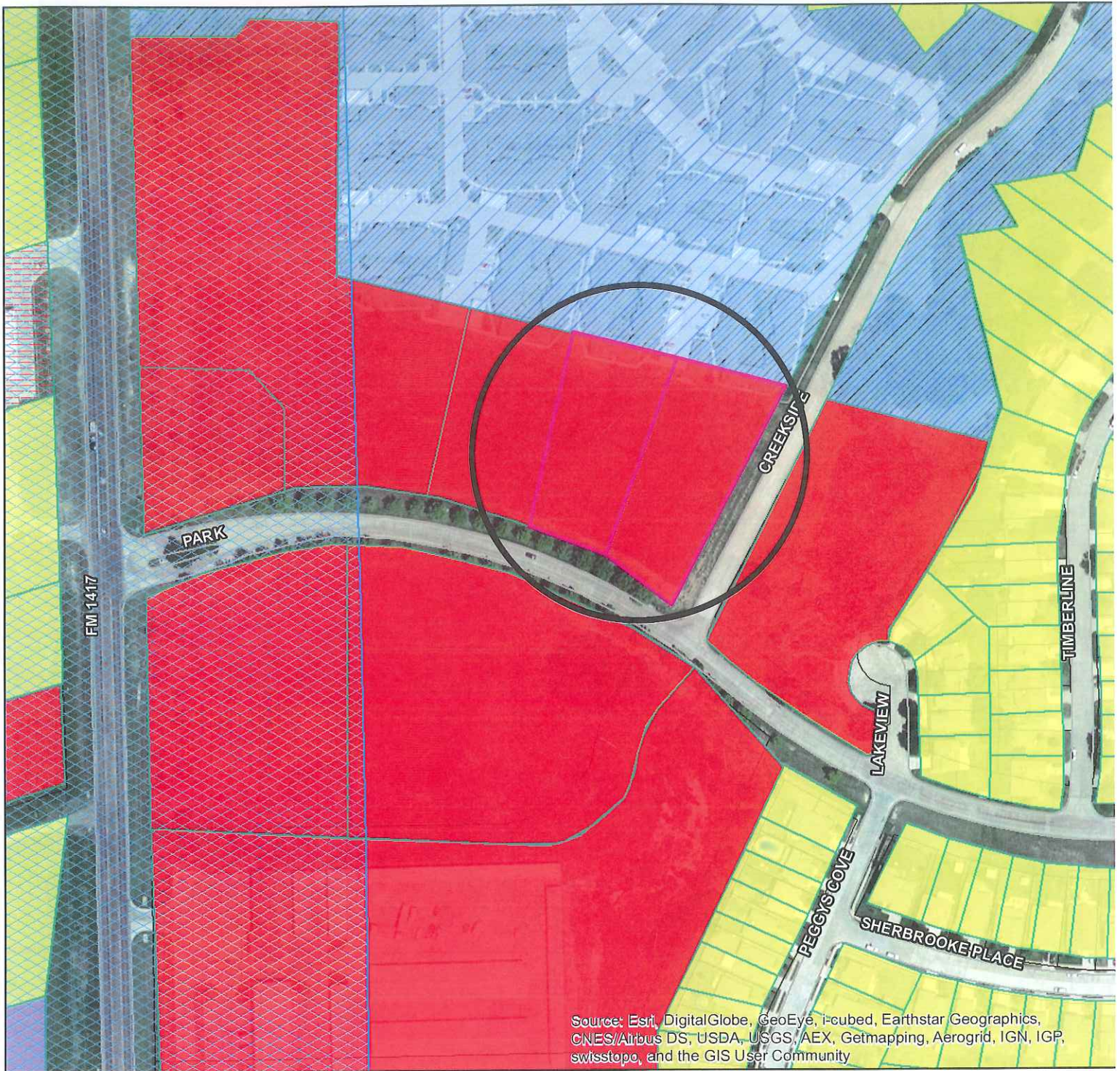
City of Sherman, Texas
Developmental Services Department

**Replat Lots 3 & 4, Park Plaza Addition
1900 Block Creekside Ave. &
3700 Block W. Park Ave.**



NOT TO SCALE

1 inch = 234 feet



Zoning - 1900 Block Creekside Ave. & 3700 Block W. Park Ave.

Legend		
ZONING PARCELS	DISTRICT_NAME	C-2 General Commercial District
Transportation Corridors Overlay	Arts and Cultural District	CO Office District
HWY_NAME	Blalock Commercial Overlay District	Lakes
FM 1417	Central Business District	M-1 Light Manufacturing District
Sam Rayburn Freeway	College Park District	M-1.5 Medium Manufacturing District
US Hwy 82 and 75	Downtown Overlay District	M-2 Heavy Manufacturing District
Special Districts Overlay	Historic Preservation District	MH Manufacturing Housing District
	ZONING PARCELS	R-1 One Family Residential District
	Zoning Classification	R-2 Multi-Family Residential District
	Unknown	R-A Single Family Agricultural District
	BIP Blalock Industrial Park	SF-1 Single Family Residential District
	C-1 Retail Business District	

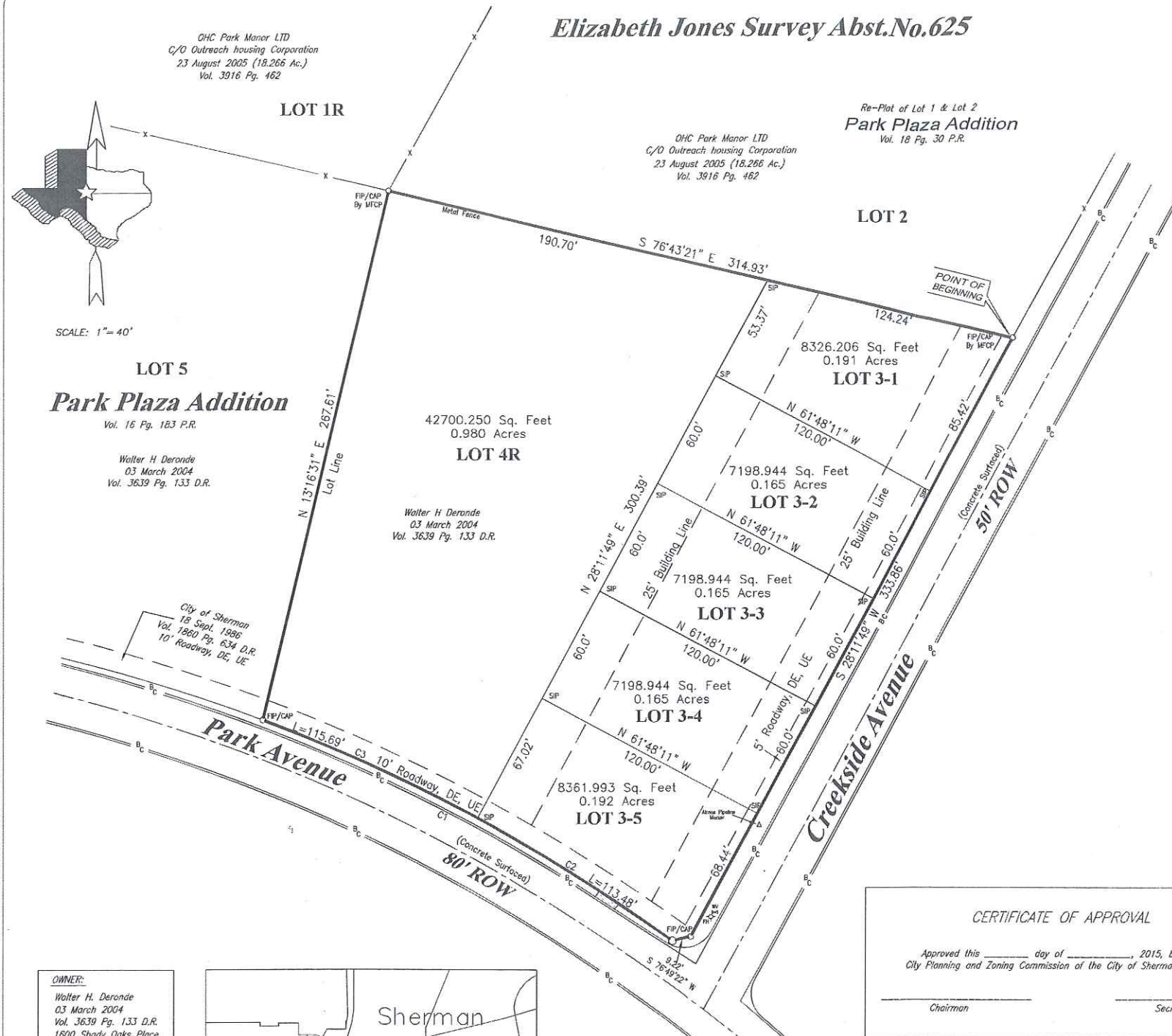
Sherman
CLASSIC TOWN. BROAD HORIZON.

City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 inch = 195 feet



Re-Plat of Lots 3 & 4
Park Plaza Addition

City of Sherman County of Grayson State of Texas

OWNERS DEDICATION

All that certain tract of land situated in the Elizabeth Jones Survey, Abstract Number 625, City of Sherman, County of Grayson, State of Texas, said tract being part of a tract as described in Deed to Walter H. Deronde, filed 03 March 2004, and Recorded in Volume 3639 Page 133 of the Deed Records of the County of Grayson, State of Texas, said tract also being all of Lots 3 and 4 of the Park Plaza Addition, and Recorded in Volume 16 Page 183 of the Plat Records of the County of Grayson, State of Texas, and being more fully described as follows:

Beginning for the northeast corner of the tract being described herein at a found 1/4 inch Steel Rebar, said rebar being the northeast corner of said Lot 3, and the southeast corner of Lot 2 of the Re-Plat of Park Plaza Addition, and Recorded in Volume 18 Page 30 of the Plat Records of Grayson County, Texas, said rebar also being on the west ROW line of Creekside Avenue (50' ROW);

Thence: South 28 degrees 11 minutes 49 seconds West, with the east line of Lot 3, and the west ROW line of Creekside Avenue, a distance of 333.86 feet to a found 1/4 inch Steel Rebar for the southeast corner of said Lot 3;

Thence: South 76 degrees 49 minutes 22 seconds West, a distance of 9.22 feet to a found 1/4 inch Steel Rebar for a corner of this tract and on the south line of Lot 3, and on the north ROW line of Park Avenue (80' ROW) and the start of a curve to the left whose radius is 880.00 feet, chord bearing of north 61 degrees 43 minutes 36 seconds west, a distance of 228.54 feet;

Thence: With said curve to the left, an Arc Length of 229.19 feet, central angle of 14 degrees 55 minutes 20 seconds to a found 1/4 inch Steel Rebar for the southwest corner of Lot 4 and the southeast corner of Lot 5;

Thence: North 13 degrees 16 minutes 31 seconds East, with the west line of Lot 4, a distance of 267.61 feet to a found 1/4 inch Steel Rebar for the northwest corner of Lot 4 and the northeast corner of Lot 5;

Thence: South 76 degrees 43 minutes 21 seconds East, with the north line of Lot 3 & 4, a distance of 314.93 feet to the POINT OF BEGINNING and containing 1.860 acres of land

STATE OF TEXAS
Before me, the undersigned Notary Public for the State of Texas, on this day personally appeared Walter H. Deronde, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity stated.

Given under my hand and seal of office this ____ day of ____, 2015.

Notary Public-State of Texas

SURVEYORS CERTIFICATION
KNOW ALL MEN BY THESE PRESENTS:
THAT I, Don K. Cox, Registered Professional Land Surveyor Number 4577, do hereby certify that this plat was prepared from an actual survey of the land described herein, and that the corner measurements shown herein were found or placed under my supervision in accordance with the ordinances of the City of Sherman, Texas.

16 January 2015

Don K. Cox, Texas Registered Professional Land Surveyor Number 4577

CERTIFICATE OF APPROVAL

Approved this ____ day of ____, 2015, 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, City of Sherman, Texas Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing re-plot of Lot 3, Park Plaza Addition, an Addition to the City of Sherman was submitted to the City Council on the ____ day of ____, 2012, and the City Council by formal action then and there accepted the dedication of street, alleys, easements and public places as shown and set forth in and upon said plat, and said City Council further authorizes the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

Witness my hand this ____ day ____, AD, 2015.

City Clerk, City of Sherman, Texas

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	880.00'	229.19'	228.54'	N 61°44'07" W	14°55'20"
C2	880.00'	113.48'	113.40'	N 58°01'14" W	07°23'20"
C3	880.00'	115.69'	115.61'	N 65°22'44" W	07°31'59"



COX LAND SURVEYING CO.

P.O. BOX 597 108 N. MAIN ST. COLLINSVILLE, TEXAS 76233
COLLINSVILLE 903-429-6125 FAX 903-429-6971 E-mail: CLSC108@aol.com
Gainesville 940-612-LAND Denton 940-381-5070 McKinney 469-952-5070

Re-Plat of Lots 3 & 4 of the
Park Plaza Addition
E. Jones Survey Abst.No.625
City of Sherman
County of Grayson
State of Texas

Registered Professional
Land Surveyors Seal

Drawn by: DKC
Check by: DKC

Job No.
12-9568-2F

Date: 16 Jan. 2015

OWNER:
Walter H. Deronde
03 March 2004
Vol. 3639 Pg. 133 D.R.
1600 Shady Oaks Place
Corinth, Texas 76205

LEGEND

- S3R = Set 3/4" Red
- FIP = Found Rebar
- SIP = Set 1/2" Sq. Tubing
- FST = Set 1/2" Sq. Tubing
- FSR = Set 1/2" Sq. Red
- ROW = Right-of-Way
- X- = Fence Line
- () = Deed Colls.
- E- = Electric Line
- T- = Telephone Line
- C- = TV Cable
- GM = Gas Meter
- PP = Power Pole
- WM = Water Meter
- AC = Air Cond.
- BL = Building Line
- UGT = Underground phone
- FCP = Fence Corner Post
- UE = Utility Easement
- BC = Back of Curb



Location Map

*** Basis of Bearing ***
Course along the
North Line of Lot 3 of the
Park Plaza Addition



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 12.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Eric Elliott, Commissioner

Ron Barton, Commissioner

Chris Vellotti, Commissioner

Sam Thorpe, Commissioner

Sean Vanderveer, Commissioner

Ronnie Dutton, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

*** 1900 BLOCK CREEKSIDE AVENUE & 3700 BLOCK W. PARK AVENUE**

The request of Walt DeRonde (Owner), Greg Edwards Engineering Services, Inc. (Engineer) and Cox Land Surveying Company (Surveyors) concerning the property in the 1900 Block of Creekside Avenue and the 3700 Block of West Park Avenue, being Lots 3 & 4, Park Plaza Addition, as follows:

Planning and Zoning Commission

Replat approval of Lots 3 & 4, Park Plaza Addition.

Background:

The property is located in the 1900 Block of Creekside Avenue, the northwest corner of Creekside Avenue and West Park Avenue in the Pebblebrook Subdivision off FM 1417 South (Heritage Parkway). The owners would like to replat the property into (5) five lots for residential development.

Adjacent Zoning:

C-1 (Retail Business) District

R-2 (Multi-Family Residential) District

Origination:

Walt DeRonde (Owner)

Greg Edwards Engineering Services, Inc. (Engineer)

Cox Land Surveying Company (Surveyors)

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

Replat

Staff Review Letter

**STAFF REVIEW LETTER**

February 11, 2015

Walter H. DeRonde
1600 Shady Oaks Pl.
Corinth, TX 76210

Dear Applicants,

The request for approval of the Replat of Lots 3 & 4, Park Plaza Addition, has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 17, 2015 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 the 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 shall conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. The drive approaches for Lots 3-1 thru 3-5 shall access Creekside Avenue and conform to the City of Sherman standards.
5. Boring is required to access utility mains on the south side of Park Ave and the east side of Creekside Avenue.
6. Building Lines shall be removed from the plat.
7. The width of the pavement for streets shall be shown on the plat.
8. Any other changes made to the replat 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.

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 Lisa Whitfield, Engineering and Development Coordinator at 903-892-7212 prior to the meeting.

Respectfully,



Clint A. Philpott,
City Engineer

cc: George Olson, City Manager
 Brandon Shelby, City Attorney
 Jamie Baggs, Fire Marshal
 Clay Barnett, Director of Public Works and Engineering
 Greg Edwards Engineering Services, Inc., 1621 Amanda Ct., Ponder, TX 76259
 Cox Land Surveying Co., PO Box 597, Collinsville, TX 76233

 Scott Shadden, Director of Development Services
 Mark Gibson, Director of Utilities
 Don Keene, Dir. of Community and Support Services
 Lisa Whitfield, Engineering & Development Coordinator



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. D. 8.

Meeting Date: 03/16/2015

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: George Olson, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of Ameristate Bank Addition, a Replat of Part of Lot 4, Block 1, Dr. J.H. Carraway's Subdivision and a Replat of the Replat of Lot 3, Block 1 and a Replat of Ameristate Central Plaza; being 8.633 acres in the J.B. McAnair Survey, Abstract No. 763 and Part of Lot 4, Block 1 of Dr. J.H. Carraway's Subdivision and also being All of Lot 2 of the Replat of Lot 3, Block 1, Dr. J.H. Carraway's Subdivision, and Lots 1 & 2, Ameristate Central Plaza, a Replat of Lots 1 & 2, Block 1, Dr. J.H. Carraway's Subdivision; Ameristate Bank, Owners; Vilbig & Associates, PLLC, Engineer; and Helvey & Associates Surveying, Inc., Surveyor (700 Block of East Lamberth Road, 2500 Block of Masters Street, and 2400-2500 Blocks of Loy Lake Road)

Issue:

To consider Replat approval of Ameristate Bank Addition, a Replat of part of Lot 4, Block 1, Dr. J.H. Carraway's Subdivision and a Replat of the Replat of Lot 3, Block 1 and a Replat of Ameristate Central Plaza; being 8.633 acres in the J.B. McAnair Survey, Abstract No. 763 and part of Lot 4, Block 1 of Dr. J.H. Carraway's Subdivision and also being all of Lot 2 of the Replat of Lot 3, Block 1, Dr. J.H. Carraway's Subdivision, and Lots 1 & 2, Ameristate Central Plaza, a Replat of Lots 1 & 2, Block 1, Dr. J.H. Carraway's Subdivision, in the 700 block of East Lamberth Road, the 2500 block of Masters Street, and the 2400-2500 blocks of Loy Lake Road

Background:

The property is located in the 700 block of East Lamberth Road, the 2500 block of Masters Street, and the 2400-2500 blocks of Loy Lake Road, between Lamberth Road and Peyton Street. The owners would like to replat the property into six (6) lots for commercial development.

Origination:

AmeriState Bank (Owners)
Vilbig & Associates, PLLC (Engineer)
Helvey & Associates Surveying, Inc. (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the February 17, 2015 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

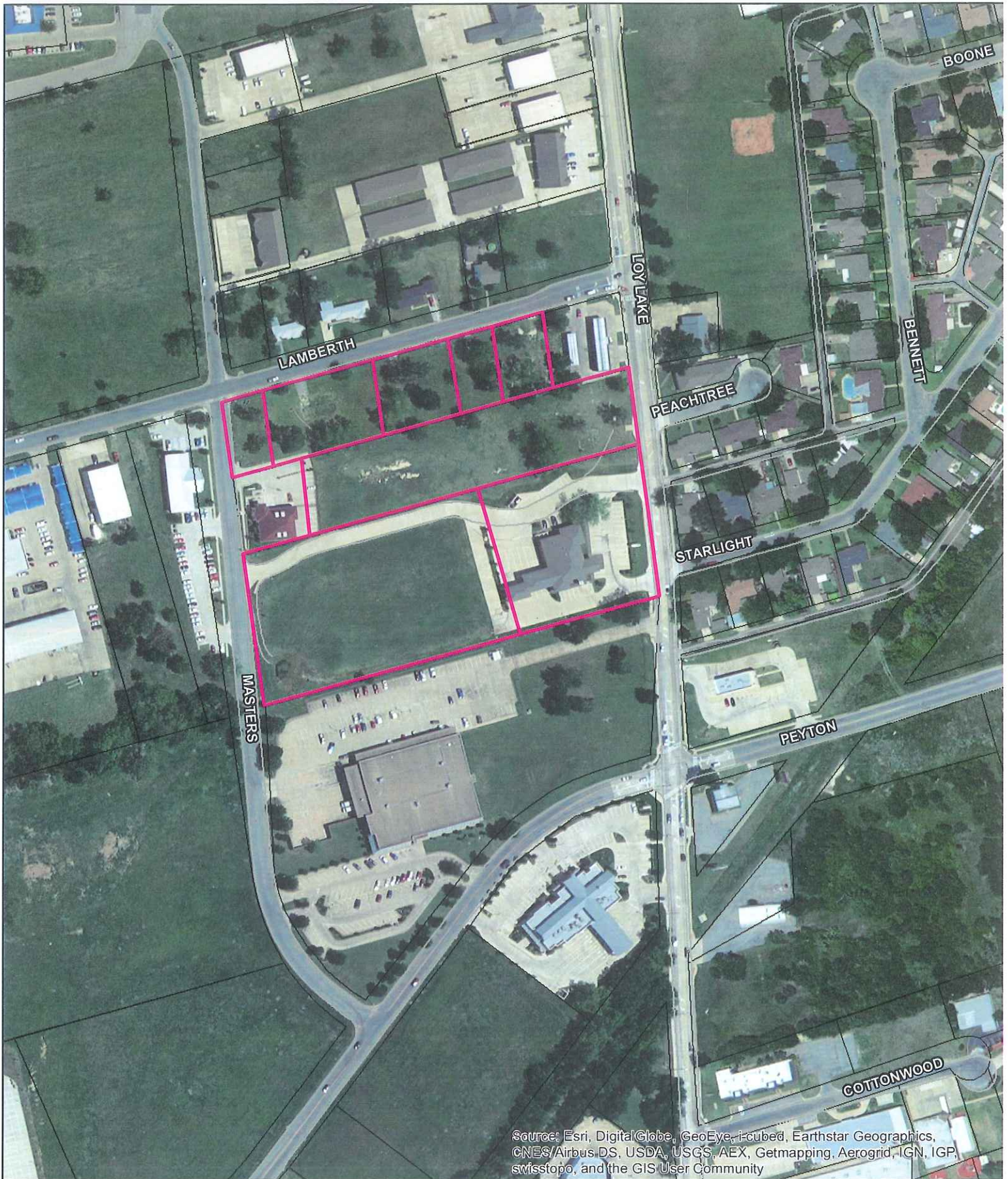
Location Map

Zoning Map

Replat

P&Z Communication

Staff Review Letter



Sherman
CLASSIC TOWN. BROAD HORIZON.

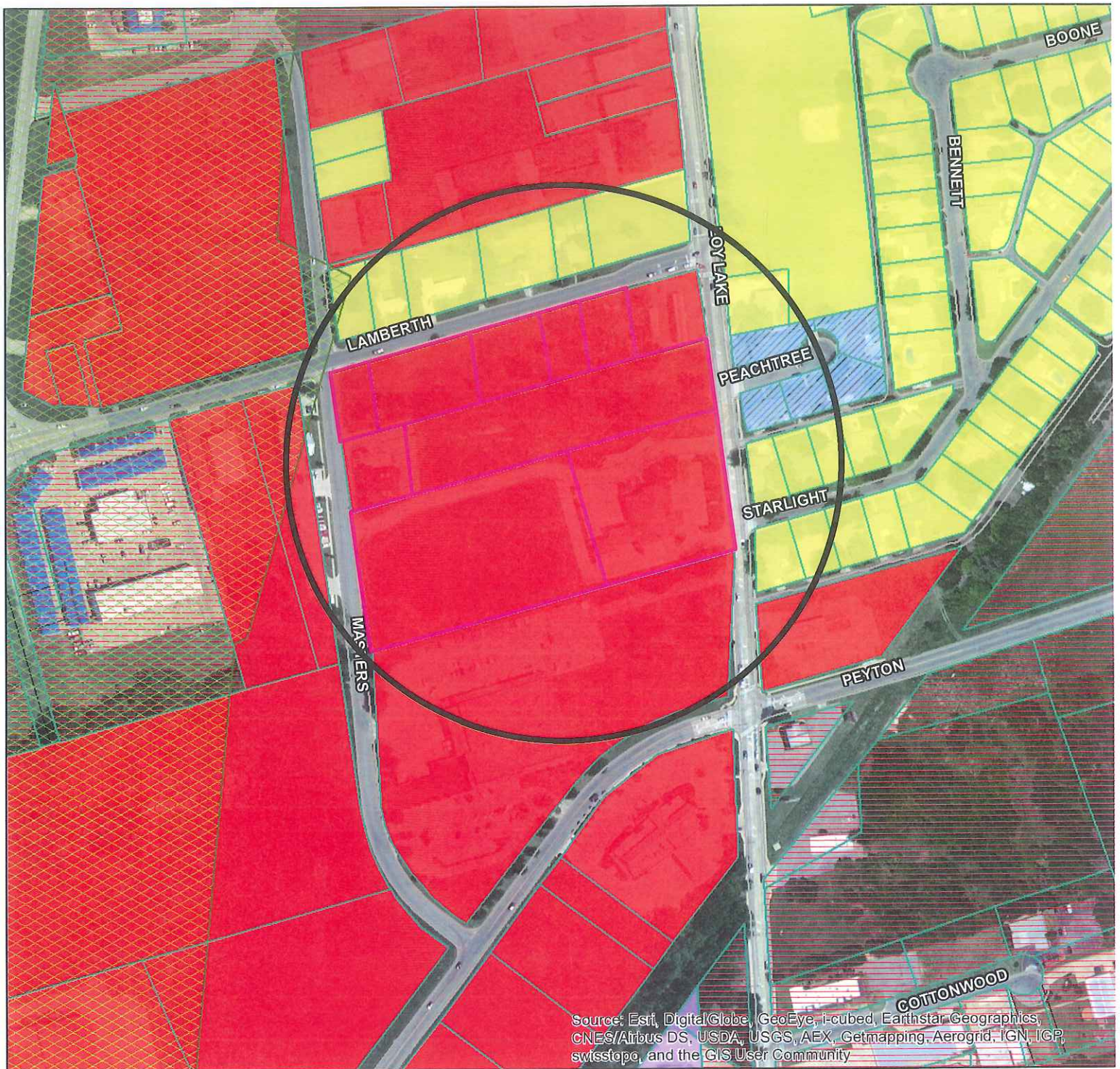
City of Sherman, Texas
Developmental Services Department

Ameristate Bank Addition
700 Blk. E. Lamberth, 2500 Blk. Masters &
2400-2500 Blks. Loy Lake Rd.



NOT TO SCALE

1 inch = 234 feet



Zoning - Ameristate Bank Addition 700 Blk. E. Lamberth, 2500 Blk. Masters & 2400-2500 Blks. Loy Lake Rd.



City of Sherman, Texas
Developmental Services Department

Legend		
ZONING PARCELS	DISTRICT_NAME	C-2 General Commercial District
Transportation Corridors Overlay	Arts and Cultural District	CO Office District
HWY_NAME	Blalock Commercial Overlay District	Lakes
FM 1417	Central Business District	M-1 Light Manufacturing District
Sam Rayburn Freeway	College Park District	M-1.5 Medium Manufacturing District
US Hwy 82 and 75	Downtown Overlay District	M-2 Heavy Manufacturing District
Special Districts Overlay	Historic Preservation District	MH Manufacturing Housing District
	ZONING PARCELS	R-1 One Family Residential District
	Zoning Classification	R-2 Multi-Family Residential District
	Unknown	R-A Single Family Agricultural District
	BIP Blalock Industrial Park	SF-1 Single Family Residential District
	C-1 Retail Business District	



NOT TO SCALE

1 inch = 280 feet



**Planning & Zoning Commission and Board of
Adjustments**

Agenda Item No. 15.

Meeting Date: 02/17/2015

Prepared by: Patsy Reeves, Developmental Services Admin Secretary

Approved by: Scott Shadden, Director of Development Services

Commissioners: Joe Gilbert, Chairman

Kyle Patterson, Vice-Chairman

Eric Elliott, Commissioner

Ron Barton, Commissioner

Chris Vellotti, Commissioner

Sam Thorpe, Commissioner

Sean Vanderveer, Commissioner

Ronnie Dutton, Commissioner

Shawn Davis, Commissioner

Requested Action/Proposed Use:

*** 700 BLOCK E. LAMBERTH ROAD, 2500 BLOCK MASTERS STREET AND 2400-2500
BLOCK LOY LAKE ROAD**

The request of AmeriState Bank (Owners), Vilbig & Associates, PLLC (Engineer) and Helvey & Associates Surveying, Inc. (Surveyor) concerning the property located in the 700 Block E. Lamberth Road, 2500 Block Masters Street and the 2400-2500 Blocks Loy Lake Road, being 8.633 acres in the J.B. McAnair Survey, Abstract No. 763 and part of Lot 4, Block 1 of Dr. J.H. Carraway's Subdivision and also being all of Lot 2 of the Replat of Lot 3, Block 1, Dr. J.H. Carraway's Subdivision, and Lots 1 & 2, Ameristate Central Plaza, a Replat of Lots 1&2, Block 1, Dr. J.H. Carraway's Subdivision, as follows:

Planning and Zoning Commission

Replat approval of Ameristate Bank Addition, a Replat of part of Lot 4, Block 1, Dr. J.H. Carraway's Subdivision and a Replat of the Replat of Lot 3, Block 1 and a Replat of Ameristate Central Plaza.

Background:

The property is located in the 700 Block E. Lamberth Road, the 2500 Block Masters Street and the 2400-2500 Blocks Loy Lake Road between Lamberth Road and Peyton Street. The owners would like to replat the property into (6) six lots for commercial development.

Adjacent Zoning:

C-1 (Retail Business) District

Origination:

AmeriState Bank (Owners)

Vilbig & Associates, PLLC (Engineer)

Helvey & Associates Surveying, Inc. (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

Replat

Staff Review Letter

**STAFF REVIEW LETTER**

February 11, 2015

AmeriState Bank
2410 Loy Lake Rd.
Sherman, TX 75090

Dear Applicants,

The request for approval of the Replat of Ameristate Bank Addition, a Replat of part of Lot 4, Block 1, Dr. J.H. Carraway's Subdivision and a Replat of the Replat of Lot 3, Block 1 and a Replat of Ameristate Central Plaza Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, February 17, 2015 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 the 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. Right-of-way of 9' shall be dedicated along Lamberth Road in accordance with the City Thoroughfare Plan.
4. The width of the right-of-way and pavement for streets shall be shown on the plat, additional right-of-way may be required for Loy Lake Road. The total right-of-way width for Loy Lake Road shall be 86'.
5. Privately owned and maintained detention in accordance with City criteria is required and shall be noted on the plat as being "Private Detention".
6. The 15' and 25' Drainage Easements shall be noted as private.
7. Sewer shall be extended to serve Lot 6.
8. An Operation and Maintenance Manual and Landscaping Plan for the detention pond shall be provided to the Engineering Department prior to issuance of Occupancy Permits.
9. The volume and page of the 24' private easement between Lot 1 and Lot 2 shall be noted on the plat.
10. Drive approaches and sidewalks shall conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
11. Engineering plans for utility, grading and storm drain design in accordance with City ordinances shall be submitted to the City Engineer for approval.
12. Any other changes made to the replat 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.

If additional information or clarification is needed, do not hesitate to contact Lisa Whitfield, Engineering and Development Coordinator at 903-892-7212 prior to the meeting.

Clint Phipps

cc: George Olson, City Manager
Brandon Shelby, City Attorney
Jamie Baggs, Fire Marshal
Clay Barnett, Director of Public Works and Engineering
Vilbig & Associates, PLLC, 10132 Monroe Dr., Dallas, TX 75229
Helvey & Associates, 222 W. Main, Denison, Texas 75020

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Don Keene, Dir. of Community and Support Services
Lisa Whitfield, Engineering & Development Coordinator



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Agenda Item No. I.

Meeting Date: 03/16/2015

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: George Olson, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2015 Council Calendar

2015

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
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
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		

MAY						
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						

JUNE						
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				

JULY						
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	

AUGUST						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

1/5/2015	Regular City Council Meeting - Cancelled
4/17/2015	Proposed Budget Planning Meeting in Council Chamber
06/18-19/2015	Proposed Budget Workshop in Council Chambers
9/8/2015	Labor Day/Called Council Meeting on 09/8/2015
