

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, FEBRUARY 21, 2022
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY DEPUTY MAYOR PAMELA L. HOWETH**
- A. 3. INVOCATION BY DEPUTY MAYOR PAMELA L. HOWETH**
- A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF FEBRUARY 7, 2022, AND THE CALLED CITY COUNCIL MEETING OF FEBRUARY 9, 2022.**

Citizen Comments

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

Consent Agenda

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

Public Hearing

- D. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6459**
Amending the Code of Ordinances, City of Sherman, Texas, at Chapter 13 (Utilities), Article 13.07 (Water, Sewers And Sewage Disposal), Division 3 (Sewers and Sewage Disposal) and Division 6 (Fats, Oil, Grease and Sediment Control); Modifying Regulations Governing the City's Fats, Oil, Grease and Sediment Control Program; Providing for Inclusion in the Code of Ordinances; Providing a Repealing Clause, a Severability Clause and A Penalty Clause

Close Public Hearing and Consider Adoption of Ordinances

- D. 2. ADOPTION OF ORDINANCE**
Consider Adoption of Ordinance Number 6459.

Resolutions

E. 1. RESOLUTION NO. 6848

Authorizing Execution of a Consent to the Assignment of the Master Development Agreement Between the City of Sherman and TPJ Properties, Ltd., for the Construction of Public Facilities in the Residential Portion of the Mixed-Use Planned Development Known as Heritage Ranch, Being an Approximate 174-Acre Residential Development along U.S. Hwy 82 and Between F.M. 1417 (Heritage Parkway) and Travis Street in the City of Sherman, Texas; Identifying the Permitted Assignee as RCICD Heritage Ranch, LLC;

E. 2. RESOLUTION NO. 6849

Authorizing Execution of a Professional Services Agreement with Cobb, Fendley & Associates, Inc. for the South Friendship Road and Pleasant Home Road Alignment Studies

E. 3. * RESOLUTION NO. 6850

Authorizing the Purchase of Two New Dodge Ram 2500 Pick Up Trucks from Silsbee Ford Through TIPS for the Parks Maintenance Department

E. 4. * RESOLUTION NO. 6851

Repealing and Replacing Resolution No. 6777; Establishing Salary Structures and Incentive/Certification Pay Schedules for Firefighters and Police Officers; Establishing Special Longevity Pay Schedules for Newly Hired Firefighters and Police Officers; Providing for an Effective Date

Requests to Advertise

F. 1. * REQUEST TO ADVERTISE

Design & Construction of Basketball, Tennis, and Pickleball Court Improvements at Fairview Park

F. 2. * REQUEST TO ADVERTISE

Water Treatment Plant Emergency Generator

F. 3. * REQUEST TO ADVERTISE

Sycamore to Evergreen Sanitary Sewer Replacement Project

Other Business

G. 1. OTHER BUSINESS

Appoint Director of Finance Mary Lawrence to the Sherman Hospital Board

G. 2. OTHER BUSINESS

Determination of Hickory Hill Planned Development for less than 200 Acres.

G. 3. OTHER BUSINESS

Discuss and Consider Approval of the Budget Calendar for Fiscal Year (FY) 2022-2023

Consider Board/Commission Appointments

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

(a) Library Board (4)

I. COUNCIL COMMENTS

Executive Session

J. 1. EXECUTIVE SESSION

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

Tex. Gov't Code § 551.071	Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.
Tex. Gov't Code § 551.072	Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.073	Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.074	Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. (a) Planning and Zoning Commission (1) (b) Discussion of the duties of the City Manager
Tex. Gov't Code § 551.076	Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.
Tex. Gov't Code § 551.087	Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. (a) Project Boston (b) Sherman Hospital Project
Tex. Gov't Code § 551.089	Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

K. 1. OPEN MEETING

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

L. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Thursday, February 17, 2022 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 17th day of February, 2022.
City of Sherman, Texas

City Clerk

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

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

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

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

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

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

Mayor

David Plyler

Deputy Mayor

Pamela L. Howeth

Council Members

Henry Marroquin, Council-At-Large, PL #1
Juston Dobbs, Council-At-Large, PL #2
Shawn C. Teamann, Council – District #1

Josh Stevenson, Council – District #2
Pamela L. Howeth, Council – District #3
Daron Holland, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

A. 4.

Meeting Date: 02/21/2022

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF FEBRUARY 7, 2022, AND THE CALLED CITY COUNCIL MEETING OF FEBRUARY 9, 2022.

Attachments

February 7, 2022

7000-7600 Hwy 75 Rezoning Site Rendering

Police Department Headquarters Update

February 9, 2022 - Called Meeting

Public Works Planning Meeting

STATE OF TEXAS §
 February 7, 2022
COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on February 7, 2022.

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

MEMBERS ABSENT: NONE.

CALL TO ORDER

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were led by Mayor David Plyler.

CALL TO ORDER

APPROVE MINUTES

The Council reviewed the Minutes of the Called City Council Meeting of January 18, 2022. Deputy Mayor Howeth moved to approve the Minutes, as presented; Second by Council Member Teamann; All present voted AYE.
MOTION CARRIED.

APPROVE MINUTES

CITIZEN'S COMMENTS

There were no citizen's comments.

CITIZEN'S COMMENTS

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.

CONSENT AGENDA

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

CONSENT AGENDA

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

CONSENT AGENDA

The Council reviewed the Consent Agenda. Deputy Mayor Howeth moved to approve the Consent Agenda, subject to the Staff Review Letter. Second by Council Member Stevenson. All present voted AYE.

Mayor Plyler introduced Ordinance No. 6453 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ALONG THE NORTH BOUND FRONTAGE ROAD OF US 75 FROM FM 1417 TO CENTER STREET IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY,

ORD 6453
SPEED LIMITS
FRONTAGE RD
FROM HWY 75
TO FM 1417

TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF;
DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY;
PROVIDING FOR A REPEALER.

Clint Philpott, Assistant City Manager, said this was from a request from the Texas Department of Transportation, to reduce the speeds on Hwy 75 and on the southbound Frontage Road, during construction.

TxDOT asked the City to reduce the speed from 50 mph to 45 mph, on the northbound Frontage Road, between FM 1417 and Center Street. This will allow them to save a little money on the type of traffic control that is required by the State, and is based on speed limit. Also, reducing the speed limits through construction zones is a good idea.

Once construction is completed, there will be a speed study for the entire corridor, to re-establish speed limits, based on that speed study.

No citizens appeared before the City Council to discuss Ordinance No. 6453.

Mayor Plyler introduced Ordinance No. 6454 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT, LOCATED IN THE 7000-7600 BLOCKS OF SOUTH U.S. HIGHWAY 75, BEING 10.113 ACRES IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NO. 733 (107 PARSONS VENTURE LTD, OWNER; DOSTI PARTNERS, LLC, PROSPECTIVE BUYER; BOHLER ENGINEERING, CIVIL ENGINEER; KURTZ-BEDFORD ASSOCIATES, INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6454
ZONE CHANGE
COMMERCIAL DIST
(7000-7600 BLOCKS
OF SOUTH HWY 75)

Mayor Plyler asked that Ordinance Nos. 6454, 6455, and 6456 be read together, since they were all related to the same property and development.

Rob Rae, Development Services, said three ordinances covered one development, but three separate building requests. The property is located on the east side of Hwy 75, south of Shepherd Drive, directly across from Shepherd's Place Development. It is currently zoned M-1.5.

The applicant is requesting three different zone changes. On the northwest corner of the development, they are proposing to change it to C-1, to allow retail businesses. The second zone change is from M-1.5 to R-2, to allow multi-family. The third zone change is from M-1.5 to M-1, to allow light industrial use at the southern tip of the development.

COUNCIL MINUTES – FEBRUARY 7, 2022

The Planning and Zoning Commission recommended approval of the zone changes.

Jon Kendall, Director of Land Strategy, Bohler Engineering

Mr. Kendall was available to answer any questions on Ordinance 6454, 6455, or 6456, that the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6454.

Mayor Plyler introduced Ordinance No. 6455 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT, LOCATED IN THE 7000-7600 BLOCKS OF SOUTH U.S. HIGHWAY 75, BEING 46.962 ACRES IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NO. 733 (107 PARSONS VENTURE LTD, OWNER; DOSTI PARTNERS, LLC, PROSPECTIVE BUYER; BOHLER ENGINEERING, CIVIL ENGINEER; KURTZ-BEDFORD ASSOCIATES, INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6455
ZONE CHANGE
MULTI-FAMILY DIST
(7000-7600 BLOCKS
OF SOUTH HWY 75)

No citizens appeared before the City Council to discuss Ordinance No. 6455.

Mayor Plyler introduced Ordinance No. 6456 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE M-1 (LIGHT MANUFACTURING) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT, LOCATED IN THE 7000-7600 BLOCKS OF SOUTH U.S. HIGHWAY 75, BEING 46.130 ACRES IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NO. 733 (107 PARSONS VENTURE LTD, OWNER; DOSTI PARTNERS, LLC, PROSPECTIVE BUYER; BOHLER ENGINEERING, CIVIL ENGINEER; KURTZ-BEDFORD ASSOCIATES, INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6456
ZONE CHANGE
LIGHT
MANUFACTURING
(7000-7600 BLOCKS
OF SOUTH HWY 75)

No citizens appeared before the City Council to discuss Ordinance No. 6456.

Mayor Plyler introduced Ordinance No. 6457 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 14 OF THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS, ENTITLED "ZONING ORDINANCE", ARTICLE 14.04, ENTITLED "GENERAL ZONING ORDINANCE", AT EXHIBIT A, ENTITLED "GENERAL ZONING ORDINANCE", SECTION 6.12, ENTITLED "PD (PLANNED DEVELOPMENT) DISTRICT"; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; MODIFYING CERTAIN REGULATIONS

ORD 6457
GENERAL ZONING
ORDINANCE --
PLANNED
DEVELOPMENT
DISTRICT

RELATING TO THE PD (PLANNED DEVELOPMENT) DISTRICT; PROVIDING A REPEALING CLAUSE, A SEVERABILITY CLAUSE AND A PENALTY CLAUSE; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Mr. Rae said some of the developers that are working on Planned Developments had requested that the City address some minor changes to the regulations. They also asked if the City could review the Planned Development Ordinance, to see if the language about minor modifications versus major modifications could be clarified.

The staff worked with the City Attorney to clearly define what a minor amendment, and what a major amendment, would be to a development plan. Currently, any changes to a development plan, must go before the Planning and Zoning Commission and the City Council for approval.

The proposed changes would allow for minor amendments to have administrative approval. Examples would be items such as architectural standards or landscaping standards.

Mr. Rae said there are some other changes made from a legal review to bring the ordinance in line with State and local ordinances.

No citizens appeared before the City Council to discuss Ordinance No. 6457.

Mayor Plyler introduced Ordinance No. 6458 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A REVISED OFFICIAL ZONING MAP; PROVIDING A PENALTY CLAUSE, REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6458
REVISED OFFICIAL
ZONING MAP

Mr. Rae said, by City Charter, the City is required to post an official zoning map every year. There have been a lot of zone changes during the past year, and this map will reflect the changes that have happened this year.

No citizens appeared before the City Council to discuss Ordinance No. 6458.

The Public Hearing was closed.

ADOPTION OF ORDINANCES

Ordinance 6453

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ALONG THE NORTH BOUND FRONTAGE ROAD OF US 75 FROM FM 1417 TO CENTER STREET IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER.

ORD 6453
SPEED LIMITS
FRONTAGE RD
FROM HWY 75
TO FM 1417

Ordinance 6454

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT, LOCATED IN THE 7000-7600 BLOCKS OF SOUTH U.S. HIGHWAY 75, BEING 10.113 ACRES IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NO. 733 (107 PARSONS VENTURE LTD, OWNER; DOSTI PARTNERS, LLC, PROSPECTIVE BUYER; BOHLER ENGINEERING, CIVIL ENGINEER; KURTZ-BEDFORD ASSOCIATES, INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6454
ZONE CHANGE
COMMERCIAL DIST
(7000-7600 BLOCKS
OF SOUTH HWY 75)

Ordinance 6455

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE R-2 (MULTI-FAMILY RESIDENTIAL) DISTRICT, LOCATED IN THE 7000-7600 BLOCKS OF SOUTH U.S. HIGHWAY 75, BEING 46.962 ACRES IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NO. 733 (107 PARSONS VENTURE LTD, OWNER; DOSTI PARTNERS, LLC, PROSPECTIVE BUYER; BOHLER ENGINEERING, CIVIL ENGINEER; KURTZ-BEDFORD ASSOCIATES, INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6455
ZONE CHANGE
MULTI-FAMILY DIST
(7000-7600 BLOCKS
OF SOUTH HWY 75)

Ordinance 6456

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 12, ORDINANCE NO. 2280, SO AS TO INCLUDE CERTAIN PROPERTY WITHIN THE M-1 (LIGHT MANUFACTURING) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT, LOCATED IN THE 7000-7600 BLOCKS OF SOUTH U.S. HIGHWAY 75, BEING 46.130 ACRES IN THE BENJAMIN LINDSEY SURVEY, ABSTRACT NO. 733 (107 PARSONS VENTURE LTD, OWNER; DOSTI PARTNERS, LLC, PROSPECTIVE BUYER; BOHLER ENGINEERING, CIVIL ENGINEER; KURTZ-BEDFORD ASSOCIATES, INC., SURVEYOR); PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; PROVIDING A REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6456
ZONE CHANGE
LIGHT
MANUFACTURING
(7000-7600 BLOCKS
OF SOUTH HWY 75)

Council Member Stevenson asked, on Ordinances 6455, 6456, and 6457, where this property was located. Mr. Hefton said it was the southeast corner of Shepherd Drive and Hwy 75. He also verified that all the property is currently zoned M-1.5. Mr. Hefton said it is located in the industrial area and has been for many years. This will be a mixed-use development. Mr. Hefton said Shepherd's Place is also a mixed-use development.

Ordinance 6457

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING CHAPTER 14 OF THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS, ENTITLED "ZONING ORDINANCE", ARTICLE 14.04, ENTITLED "GENERAL ZONING ORDINANCE", AT EXHIBIT A, ENTITLED "GENERAL ZONING

ORD 6457
GENERAL ZONING
ORDINANCE --
PLANNED
DEVELOPMENT
DISTRICT

ORDINANCE”, SECTION 6.12, ENTITLED “PD (PLANNED DEVELOPMENT) DISTRICT”; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; MODIFYING CERTAIN REGULATIONS RELATING TO THE PD (PLANNED DEVELOPMENT) DISTRICT; PROVIDING A REPEALING CLAUSE, A SEVERABILITY CLAUSE AND A PENALTY CLAUSE; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00.

Deputy Mayor Howeth asked if something similar, addressing minor changes, was also done in the Fall of 2021.

Mr. Hefton said they received some questions from Bel Air, talked about needing this clarification, and discussed some examples. But at that time, they didn’t have the administrative right to approve minor changes.

This is an “enabling ordinance,” giving the staff the right to approve minor changes in the Planned Development Ordinance in general, not specifically for Bel Air. These changes were a result of those discussions.

Council Member Teamann asked about materials that are being used and would these changes allow the developer to use different materials.

Mr. Rae said it is a little broader on allowing minor architectural changes. The ability to deny an administrative change would still apply to this. He said if the proposed change would “make it worse,” they would not be supportive of the change. If it made it “better” or easier to get some materials, they would be supportive.

He said one thing Bel Air Village was wanting to change was the size of the tree and how the caliper size was measured. Another change they would like is the number of windows on the front and side of the house. Those are examples of what the staff would consider minor changes to the Planned Development document.

Ordinance 6458

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A REVISED OFFICIAL ZONING MAP; PROVIDING A PENALTY CLAUSE, REPEALING/SAVINGS CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

ORD 6458
REVISED OFFICIAL
ZONING MAP

ACTION TAKEN.

Motion by Deputy Mayor Howeth to adopt Ordinance Nos. 6453, 6454, 6455, 6456, 6457, and 6458, as presented. Second by Council Member Dobbs.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6842 – AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH BURGESS & NIPLE, INC. FOR THE DOWNTOWN WASTEWATER IMPROVEMENTS, PHASE 1 PROJECT

RES 6842
DOWNTOWN
WASTEWATER
IMPROVEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH BURGESS & NIPLE, INC. FOR THE DOWNTOWN WASTEWATER IMPROVEMENTS, PHASE 1 PROJECT.

PHASE 1 PROJECT

Wayne Lee, Director of Engineering, said the 2021 Budget included a project to assess the condition of sewer lines in the downtown area, due to complaints. In March 2021, Burgess & Niple were hired, and televised and smoke tested the lines. In October, they presented their report on the lines and identified lines and manholes that “needed attention.”

The proposed projects were split into three geographical phases, and this contract is to execute the design work for Phase 1. They will analyze the data that they collected to determine the best course of action for replacement or rehabilitation of the lines and manholes.

This report should be completed in July 2022, and an amendment to the contract will be considered for them to do the final construction drawings. This portion of the contract is approximately \$184,000.

Council Member Stevenson verified that the City had paid Burgess & Niple to determine “what was broken,” and now the City was going to pay them again to tell them the best way to fix what was broken, and then will pay them again to do the engineering on the projects.

Mr. Hefton said it is actually three phases of engineering services, with the first being to identify the problem. The second phase is the preliminary engineering, including strategies and cost estimates. The third phase is to use the preliminary engineering to complete the final engineering, from which the project can be constructed.

Mr. Philpott said the total construction cost is approximately \$2.5 million to \$3 million, for Phase 1. Mr. Hefton said the goal is the “fixing of these things.” Mr. Philpott said there is a balance between cost and continued use of services.

Deputy Mayor Howeth expressed concern about disruptions to downtown businesses and to travel. She asked when the project might start. Mr. Hefton said for actual construction, it should start in 2023. Mr. Philpott said hopefully, it will come in ahead of the Hwy 75 completion. He said the project could be delayed a few months if the Council wanted to wait on the highway construction to be completed.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6842, as presented. Second by Council Member Holland.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6843 – RATIFYING THE CITY MANAGER’S ACTIONS IN CONNECTION WITH THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH EARNESTINE WHITE AND WK FAMILY TRUST FOR THE PURCHASE OF APPROXIMATELY 60 ACRES OF LAND, GENERALLY LOCATED AT THE NORTHWEST CORNER OF PLAINVIEW ROAD AND LA CIMA ROAD IN THE EXTRATERRITORIAL JURISDICTION (ETJ) OF THE CITY OF SHERMAN, TEXAS

RES 6843
PURCHASE OF LAND
NEAR WATER
TREATMENT PLANT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RATIFYING THE CITY MANAGER’S ACTIONS IN CONNECTION WITH THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH EARNESTINE WHITE AND WK FAMILY TRUST FOR THE PURCHASE OF APPROXIMATELY 60 ACRES OF LAND, GENERALLY LOCATED AT THE NORTHWEST CORNER OF PLAINVIEW ROAD AND LA CIMA ROAD IN THE EXTRATERRITORIAL JURISDICTION (ETJ) OF THE CITY OF SHERMAN, TEXAS.

Mr. Philpott said this resolution ratifies the City Manager’s approval of a contract for purchase of 60 acres of land south of the Water Treatment Plant. There has been discussion about several pieces of property around the Plant, and there is finally an approved contract between the two legal teams.

The contract is for approximately 60 acres at \$37,500 per acre, with a variance of about 10% of that value, and still meet the criteria. They are still working to establish the west boundary line. The north boundary line will be the Water Treatment Plant, and the south and east boundary lines are the existing road. When the west boundary line is established, it will determine the actual acreage. The price per acre will not change, but the total price will change based on the acreage.

ACTION TAKEN.

Motion by Council Member Stevenson to approve Resolution No. 6843, as presented. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6844 – AUTHORIZING THE PURCHASE OF TWO NEW CHEVY TAHOES FROM LAKE COUNTRY CHEVROLET THROUGH TIPS PURCHASING COOPERATIVE FOR THE SHERMAN POLICE DEPARTMENT

RES 6844
VEHICLES FOR
POLICE DEPT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF TWO NEW CHEVY TAHOES FROM LAKE COUNTRY CHEVROLET THROUGH TIPS PURCHASING COOPERATIVE FOR THE SHERMAN POLICE DEPARTMENT.

CONSENT AGENDA.

RESOLUTION NO. 6845 – AUTHORIZING THE PURCHASE OF TWO NEW FORD F-150 TRUCKS FOR THE DEVELOPMENT SERVICES DEPARTMENT FROM SAM PACK’S FIVE STAR FORD THROUGH

RES 6845
VEHICLES FOR
DEVELOPMENT
SERVICES

THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF TWO NEW FORD F-150 TRUCKS FOR THE DEVELOPMENT SERVICES DEPARTMENT FROM SAM PACK'S FIVE STAR FORD THROUGH THE TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD).

CONSENT AGENDA.

RESOLUTION NO. 6846 – RENEWING GUIDELINES AND CRITERIA FOR THE CITY OF SHERMAN'S INDUSTRIAL AND COMMERCIAL TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/ REDEVELOPMENT IN CERTAIN AREAS OF THE CITY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, RENEWING GUIDELINES AND CRITERIA FOR THE CITY OF SHERMAN'S INDUSTRIAL AND COMMERCIAL TAX ABATEMENT PROGRAM TO PROMOTE DEVELOPMENT/ REDEVELOPMENT IN CERTAIN AREAS OF THE CITY.

CONSENT AGENDA.

RES 6846
INDUSTRIAL/
COMMERCIAL TAX
ABATEMENT
PROGRAM

RESOLUTION NO. 6847 – AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF BODY ARMOR PLATES AND BALLISTIC HELMETS FOR THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING SUBMISSION OF A GRANT APPLICATION TO THE OFFICE OF THE GOVERNOR CRIMINAL JUSTICE DIVISION TO FUND THE PURCHASE OF BODY ARMOR PLATES AND BALLISTIC HELMETS FOR THE SHERMAN POLICE DEPARTMENT; DESIGNATING THE CITY MANAGER AS THE AUTHORIZED OFFICIAL TO ACCEPT, REJECT, ALTER OR TERMINATE THE GRANT ON BEHALF OF THE CITY.

CONSENT AGENDA.

RES 6847
GRANT FOR
BODY ARMOR
FOR POLICE
DEPT

REQUEST TO ADVERTISE
ANNUAL WATER AND SEWER MAINTENANCE SUPPLIES AND PARTS

The City Council approved the request to advertise for the annual water and sewer maintenance supplies and parts. These parts will be used in the maintenance of the City's water and sewer systems. Purchases are made with budgeted funds in the Utility Fund and are included in the FY 2021-2022 Budget.

CONSENT AGENDA.

REQ TO ADVERTISE
ANNUAL WATER
& SEWER
MAINTENANCE
SUPPLIES

INVITATION TO BID FOR THE REMOVAL AND REPLACEMENT OF AN AIR-COOLED CHILLER IN KIDD KEY AUDITORIUM

The City Council approved the request to advertise for bids for removal and replacement of an air-cooled chiller in Kidd Key Auditorium. The unit is used for the air conditioning of Kidd Key Auditorium, located in the Municipal Building.

KIDD KEY
AUDITORIUM
CHILLER

The existing chiller has been in operation for approximately 22 years and has reached the end of its useful life. The scope of the bid request will include the removal and disposal of the existing chiller, as well as the installation of a new air-cooled chiller.
CONSENT AGENDA.

OTHER BUSINESS

REPAIR AND REWORK OF THE DORCHESTER #8 TRINITY AND THE SHEPARD #1 WOODBINE WELL UNDER EMERGENCY DESIGNATION

**EMERGENCY
WATER WELL
REPAIRS**

Tom Pruitt, Utility Engineer, said the Dorchester #8 Trinity well and the Shepard #1 Woodbine well have both gone down and need to be repaired, on an emergency basis.

The Dorchester well was TV surveyed and found to be plugged with some type of rubber substance. The substance needs to be removed and approximately 120 feet of defective column pipe needs to be replaced.

The Shepard well was also pulled and TV surveyed to determine the cause of failure. The well was “electrically dead” and would not turn. The power cable failed and the motor locked up.

Weisinger Incorporated will perform the well repairs, on an emergency basis, to get the wells back into service. The two wells comprise almost 1 mgd, of the City’s 12 mgd groundwater system.

Council Member Stevenson asked about the timeline for repair. Mr. Pruitt said normally they have about 60 days to repair one well, but since there are two, the City has given them 90 days.

Council Member Teamann confirmed that the City budgets annually for well repairs and this estimated \$400,000 cost will be paid through the Utility Fund.

Mr. Pruitt said when the 72” waterline previously went down, the City ran their entire water service on the wells, therefore there was a lot more “flow” than normal. Council Member Stevenson confirmed that the limiting factor on a well was the aquifer. One well is pulling from the Trinity Aquifer and the other from the Woodbine Aquifer.

ACTION TAKEN.

Motion by Council Member Dobbs to approve the repair and rework of the Dorchester #8 Trinity and the Shepard #1 Woodbine Well, under Emergency Designation, as presented.

Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

RECOGNITION OF CITY OF SHERMAN AWARD: “CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING”

**EXCELLENCE IN
FINANCIAL**

Mary Lawrence, Director of Finance, said the City has again received the “Certificate of Achievement for Excellence in Financial Reporting” from the Government Finance Officers Association.

REPORTING
AWARD

She said the City has great support from the staff, especially the City Manager, and Assistant City Managers. She recognized Tammy Davis, Controller, for her hard work with the Audit, as well as the entire Finance Department staff.

RECEIVE PRESENTATION ON THE STATUS OF THE NEW SHERMAN POLICE DEPARTMENT HEADQUARTERS

POLICE DEPT
HEADQUARTERS

Zach Flores, Police Chief, said the groundbreaking for the Police Headquarters was held on December 7, 2021, and the building is under construction.

They have drilled over 160 piers for both buildings and the site utilities are nearing completion, and were at 80% complete last week. The grade beams for the eastern half of the main building were poured last month.

This month they are placing the remainder of the grade beams and the under-foundation utilities. The driveways on the west side of the building will also be poured. In March, they will pour the slabs for both buildings and begin erecting the steel, to “go vertical.”

Jason Jeffcoat, Assistant City Manager, presented photos of the progress on the facility, beginning with the groundbreaking.

Chief Flores said the project is currently on time and in budget. He thanked the City Council and the City management for their support on this project.

FINAL PLAT APPROVAL OF ALEMAN ADDITION, BEING 1.574 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763; ANTHONY AND LANE ALEMAN, OWNERS AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR (310 AND 324 WEST U.S. HIGHWAY 82)

APPROVE FINAL PLAT
ALEMAN ADDITION
(310 & 324 W. HWY 82)

The City Council approved the Final Plat of the Aleman Addition, located at 310 and 324 West U.S. Highway 82. The 1.574 acre tract is zoned a C-2 (General Commercial) District. The owner would like to plat the property into two lots for commercial development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA.

REPLAT APPROVAL OF GRIMSLEY ADDITION, BEING A REPLAT OF THE WEST 50 FT. OF LOTS 1 & 2, BLOCK 4, HALL AND JONES ADDITION; JDH GRIMSLEY PROPERTIES, LLC, OWNER; PHILLIP MORGAN, DEVELOPER; AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR (315 EAST COLLEGE STREET)

APPROVE REPLAT
GRIMSLEY ADDITION
(315 E. COLLEGE ST)

The City Council approved the Replat of the Grimsley Addition, located at 315 East College Street. The property is zoned an R-1 (One-Family Residential) District. The owner would like to replat part of three lots into one 50.19' wide lot, 5,034 lot area for residential development.

COUNCIL MINUTES – FEBRUARY 7, 2022

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

REPLAT APPROVAL OF PROFESSIONAL ADDITION, BEING A REPLAT OF LOTS 6A-R AND 6B-R, REPLAT OF LOT 6, BLOCK A, DR. SWAMY ADDITION AND LOT 7, BLOCK 1, DR. SWAMY ADDITION; 2019 MK & ASSOCIATES, LLC & 2017 GK ASSOCIATES, LLC, OWNERS AND HELVEY-WAGNER SURVEYING, INC., SURVEYOR (2416, 2500 AND 6119 SWAMY DRIVE)

APPROVE REPLAT
PROFESSIONAL
ADDITION
(2416, 2500 & 6119
SWAMY DR)

The City Council approved the Replat of Professional Addition, located at 2416, 2500, and 6119 Swamy Drive. The property is zoned a C-2 (General Commercial) District. The owner would like to replat the property into three lots for commercial development.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

MAIN STREET
ADVISORY
COMMITTEE

MAIN STREET ADVISORY COMMITTEE (1)

ACTION TAKEN.

Motion by Deputy Mayor Howeth to appoint Aaron Jason Bucy to the Main Street Advisory Committee, for a term from February 8, 2022 to February 8, 2024. Second by Council Member Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

COUNCIL COMMENTS

BAD WEATHER EVENT

BAD WEATHER
EVENT

Deputy Mayor Howeth thanked the staff that worked during the recent bad weather event. She thanked the crews that were out working and keeping everything running.

FIRE DEPARTMENT BANQUET

FIRE DEPT
BANQUET

Council Member Holland thanked the Fire Department for the recent banquet they held. He said it was really nice, even though bad weather lowered the attendance. He said it also featured a “great guest speaker.”

FINANCIAL AWARD

FINANCIAL AWARD

Council Member Dobbs congratulated the City on the financial award and said, if finances are being taken care of, it makes the Council or Board Member’s job easier.

He said he came from the Sherman School Board, and the District did great with their finances, and it was great to come to another organization that also was recognized for their finances.

ANNOUNCEMENTS

Mayor Plyler announced the following:

- The ribbon cutting for Super Shack Seafood and Grill, will be held on February 10, 2022, at 4:00 p.m. This is one of the businesses that took advantage of Sherman's retail recruitment program.
- Parks and Recreation rescheduled the Annual Father/Daughter Dance for February 18, 2022. Tickets for the event are still available.
- The Annual St. Patrick's Day Parade will be held on March 12, 2022, in Downtown Sherman. The event starts at 11:00 a.m.
- Neblett Elementary's Texas Reads One Book Kick Off has been rescheduled to February 26, 2022, at 1:00 p.m., at the City's Animal Shelter.

ANNOUNCEMENTS

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

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

EXECUTIVE SESSION

TEX. GOV'T CODE § 551.071 --

SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

- (a) Receive legal advice regarding pending litigation

TEX. GOV'T CODE § 551.072 --

DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --

DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --

DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

- (a) Comprehensive Master Plan Advisory Committee

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

TEX. GOV'T CODE § 551.087 –
DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL
INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS
PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR
EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS
CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR
DELIBERATING THE OFFER OF A FINANCIAL OR OTHER
INCENTIVE TO A BUSINESS PROSPECT

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

On Motion duly made and carried, the Open Meeting recessed and
reconvened in Executive Session at 5:46 p.m.

On Motion duly made and carried, the Executive Session recessed
at 6:28 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

**APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS
AND COMMISSIONS**

COMPREHENSIVE PLAN ADVISORY COMMITTEE

ACTION TAKEN.

Motion by Council Member Teamann to appoint Paul Manley,
Leigh Ann Sims, Michael Kelly, Brantley Blackburn, Veronica
Ezell, David Baca, Al Hambrick, Gail Utter, Wendy Vellotti, Jason
Brumm, Robin Phillips, Nathan Cain, Edwin Clark, Roxanne
Marroquin, Council Member Josh Stevenson, and Deputy Mayor
Pam Howeth to the Comprehensive Plan Advisory Committee,
as presented. Second by Deputy Mayor Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson,
Teamann.

VOTING NAY: None.

MOTION CARRIED.

COMPREHENSIVE
PLAN ADVISORY
COMMITTEE

Mr. Rae asked if the Council would like to appoint a Chairman for
the Committee or if they would like the Committee itself to select a
Chairman. The consultant said they would prefer that the Council
appoint a Chairman.

COUNCIL MINUTES – FEBRUARY 7, 2022

ACTION TAKEN.

Motion by Council Member Holland to appoint Dr. Al Hambrick as Chairman of the Comprehensive Plan Advisory Committee, as presented. Second by Council Member Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.

VOTING NAY: None.

MOTION CARRIED.

ADJOURNMENT

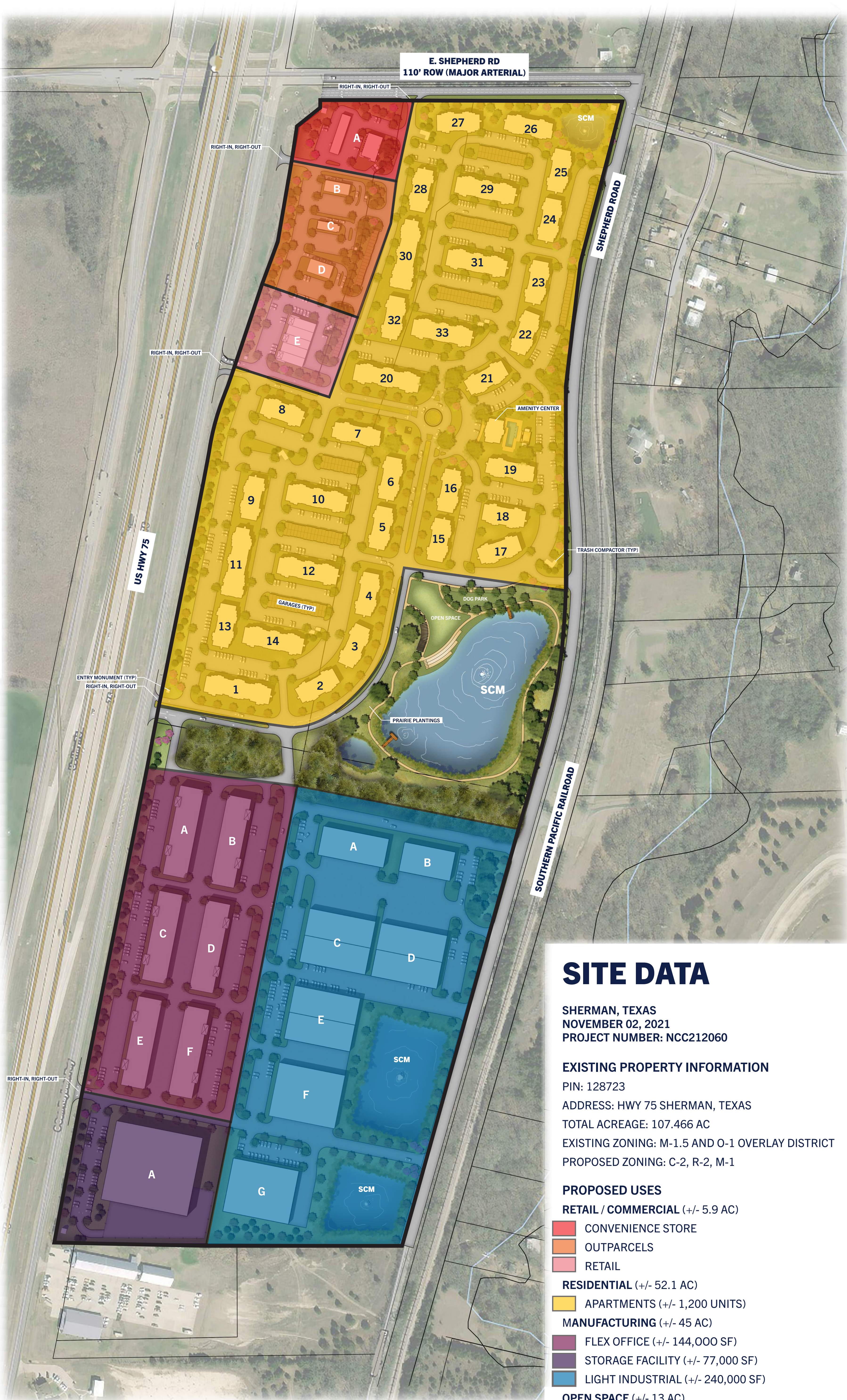
On Motion duly made and carried, the meeting adjourned at 6:31 p.m.

ADJOURNMENT

MAYOR

CITY CLERK





Note: Conceptual Layout is Preliminary and Subject to Change
Project Number: NCC212060

SITE DATA

SHERMAN, TEXAS
NOVEMBER 02, 2021
PROJECT NUMBER: NCC212060

EXISTING PROPERTY INFORMATION

PIN: 128723
ADDRESS: HWY 75 SHERMAN, TEXAS
TOTAL ACREAGE: 107.466 AC
EXISTING ZONING: M-1.5 AND O-1 OVERLAY DISTRICT
PROPOSED ZONING: C-2, R-2, M-1

PROPOSED USES

RETAIL / COMMERCIAL (+/- 5.9 AC)

- CONVENIENCE STORE
- OUTPARCELS
- RETAIL

RESIDENTIAL (+/- 52.1 AC)

- APARTMENTS (+/- 1,200 UNITS)

MANUFACTURING (+/- 45 AC)

- FLEX OFFICE (+/- 144,000 SF)
- STORAGE FACILITY (+/- 77,000 SF)
- LIGHT INDUSTRIAL (+/- 240,000 SF)

OPEN SPACE (+/- 13 AC)

ROW TAKING (+/- 3 AC)

PARKING PER SHERMAN UDO

MASTER PLAN | MIXED-USE EXHIBIT | DEC 2021

SHERMAN GATEWAY MIXED-USE PARK
SHERMAN, TEXAS

SCALE: 1" = 150'

BOHLER

ZONING: M-1.5
ENTERPRISE ZONE

ZONING: R-1
ENTERPRISE ZONE

ZONING: PD

ZONING: GRAYSON COUNTY
NO JURISDICTIONAL REQUIREMENTS
FOR UNINCORPORATED AREAS

ZONING: GRAYSON COUNTY
NO JURISDICTIONAL REQUIREMENTS
FOR UNINCORPORATED AREAS

PROPOSED OFFICE FLEX
6 BUILDINGS @
24,000 SF (144,000 SF TOTAL)
25 PARKING SPACES (150 TOTAL)
(15P / 400 SF OFFICE)
14 PARKING SPACES (W/IN TOTAL)
(15P/1,000 SF WAREHOUSE)
REQUIRED PARKING: 234
PROVIDED PARKING: 371

- NOTE:**
1. PARKING SHALL MEET STANDARDS OF CITY OF SHERMAN UDO
 2. FIRE LANES SHALL MEET CITY OF SHERMAN STANDARDS.
 3. BUILDING DESIGN REQUIREMENTS SHALL BE MET PER ORDINANCE.
 4. SECTION 6.13.1 O-I (75&82) OVERLAY DISTRICT. 500 FT. ON EITHER SIDE OF US HWY 75.

Project Number: NCC212060

SITE DATA

SHERMAN, TEXAS
NOVEMBER 02, 2021
PROJECT NUMBER: NCC212060

EXISTING PROPERTY INFORMATION
PIN: 128723
ADDRESS: HWY 75 SHERMAN, TEXAS
TOTAL ACREAGE: 107.466 AC
TOTAL SQUARE FOOTAGE: 4,497,011 SF
EXISTING ZONING: M-1.5 AND O-1 OVERLAY DISTRICT
PROPOSED ZONING: C-2, R-2, M-1

LAND USES:

COMMERCIAL
ACREAGE: +/- 45 ACRES
PROPOSED ZONING: C-2

OUTPARCEL 1
PARCEL SF: 70,060 SF
HARD SURFACE AREA: 36,418 SF
LANDSCAPE AREA: 34,642 SF
FLOOR/AREA RATIO: 0.04

OUTPARCEL 2
PARCEL SF: 41,940 SF
HARD SURFACE AREA: 27,143 SF
LANDSCAPE AREA: 14,797 SF
FLOOR/AREA RATIO: 0.07

OUTPARCEL 3
PARCEL SF: 35,425 SF
HARD SURFACE AREA: 19,502 SF
LANDSCAPE AREA: 15,923 SF
FLOOR/AREA RATIO: 0.06

OUTPARCEL 4
PARCEL SF: 39,875 SF
HARD SURFACE AREA: 14,573 SF
LANDSCAPE AREA: 25,302 SF
FLOOR/AREA RATIO: 0.09

OUTPARCEL 5
PARCEL SF: 70,775 SF
HARD SURFACE AREA: 42,903 SF
LANDSCAPE AREA: 27,872 SF
FLOOR/AREA RATIO: 0.18

RESIDENTIAL
ACREAGE: +/- 52.1 ACRES
PROPOSED ZONING: R-2

APARTMENTS
PARCEL SF: 2,075,593 SF
HARD SURFACE AREA: 1,037,332 SF
LANDSCAPE AREA: 1,038,261 SF
TOTAL BUILDING SF: 1,017,039 SF
FLOOR/AREA RATIO: 0.49

MANUFACTURING
ACREAGE: +/- 45 ACRES
PARCEL SF: 1,962,236 SF
PROPOSED ZONING: M-1

FLEX OFFICE:
PARCEL SF: 566,566 SF
HARD SURFACE AREA: 375,827 SF
LANDSCAPE AREA: 190,939 SF
TOTAL BUILDING SF: 132,000 SF
FLOOR/AREA RATIO: 0.23

STORAGE FACILITY
PARCEL SF: 214,546 SF
HARD SURFACE AREA: 140,827 SF
LANDSCAPE AREA: 73,719 SF
TOTAL BUILDING SF: 77,000 SF
FLOOR/AREA RATIO: 0.36

LIGHT INDUSTRIAL
PARCEL SF: 888,112 SF
HARD SURFACE AREA: 500,982 SF
LANDSCAPE AREA: 387,130 SF
TOTAL BUILDING SF: 239,000 SF
FLOOR/AREA RATIO: 0.27

RIGHT-OF-WAY
SQUARE FOOTAGE: 373,706 SF
HARD SURFACE AREA: 243,090 SF
LANDSCAPE AREA: 130,616 SF

MASTER PLAN | DEC 2021

SHERMAN GATEWAY MIXED-USE PARK
SHERMAN, TEXAS

SCALE: 1" = 150'



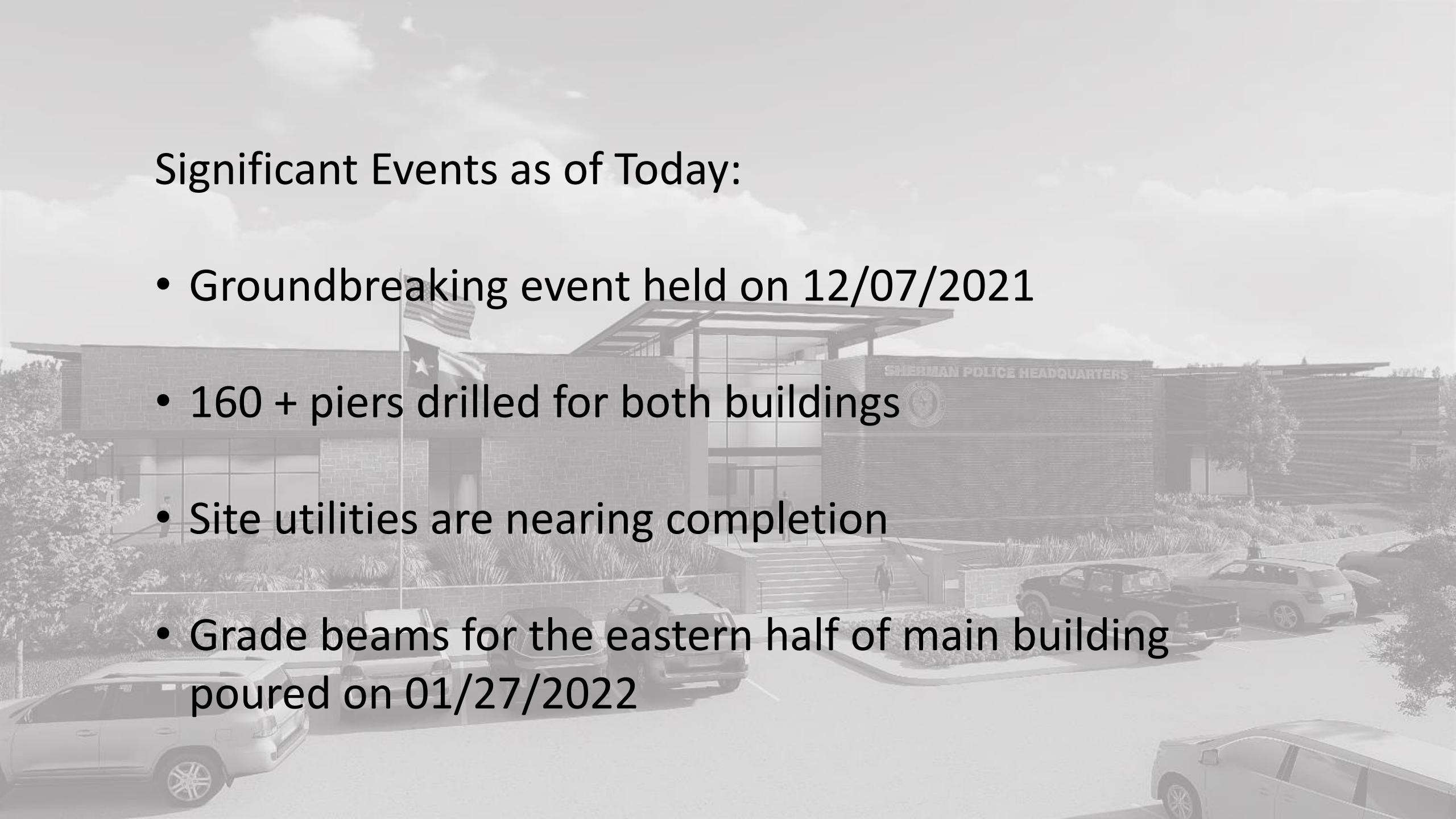
BOHLER

Sherman Police Headquarters Construction Update February 7, 2022



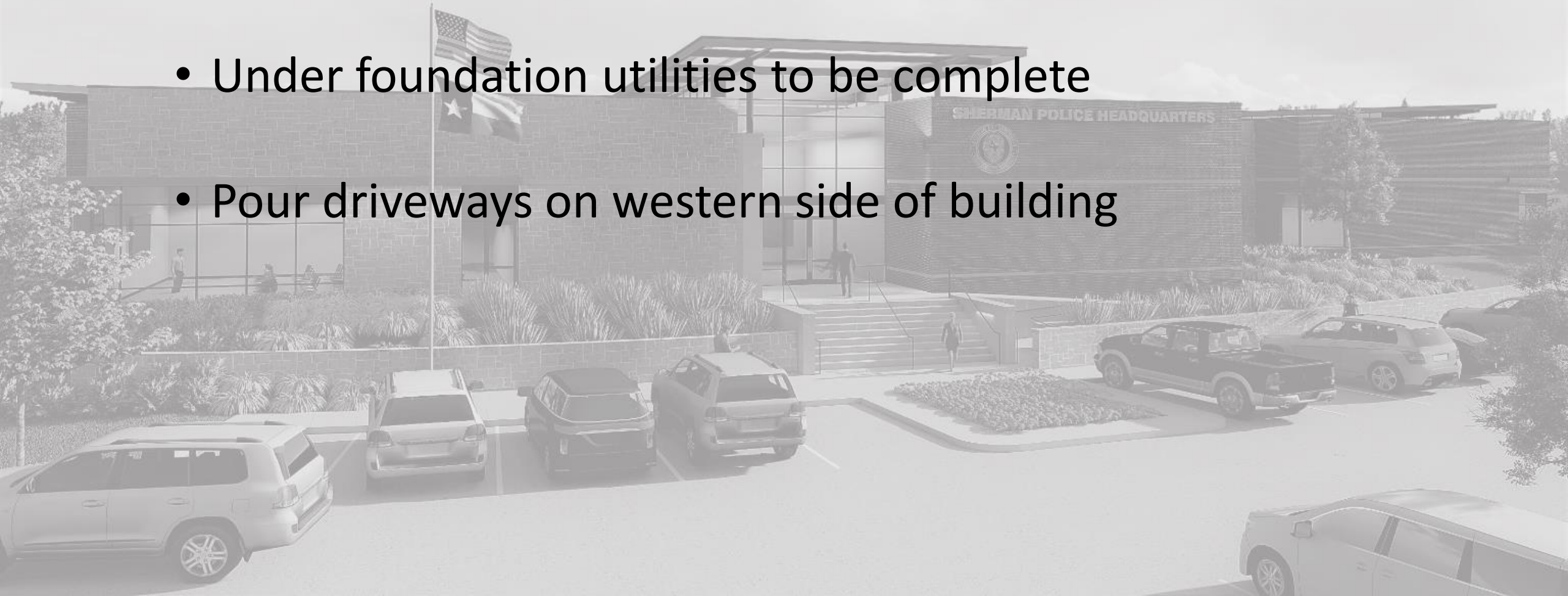
Significant Events as of Today:

- Groundbreaking event held on 12/07/2021
- 160 + piers drilled for both buildings
- Site utilities are nearing completion
- Grade beams for the eastern half of main building poured on 01/27/2022



February Scheduled Events:

- Remainder of grade beams on 01/10/2022
- Under foundation utilities to be complete
- Pour driveways on western side of building



Future Scheduled Events:

- Pour slab for both buildings in March
- Begin steel erection in April



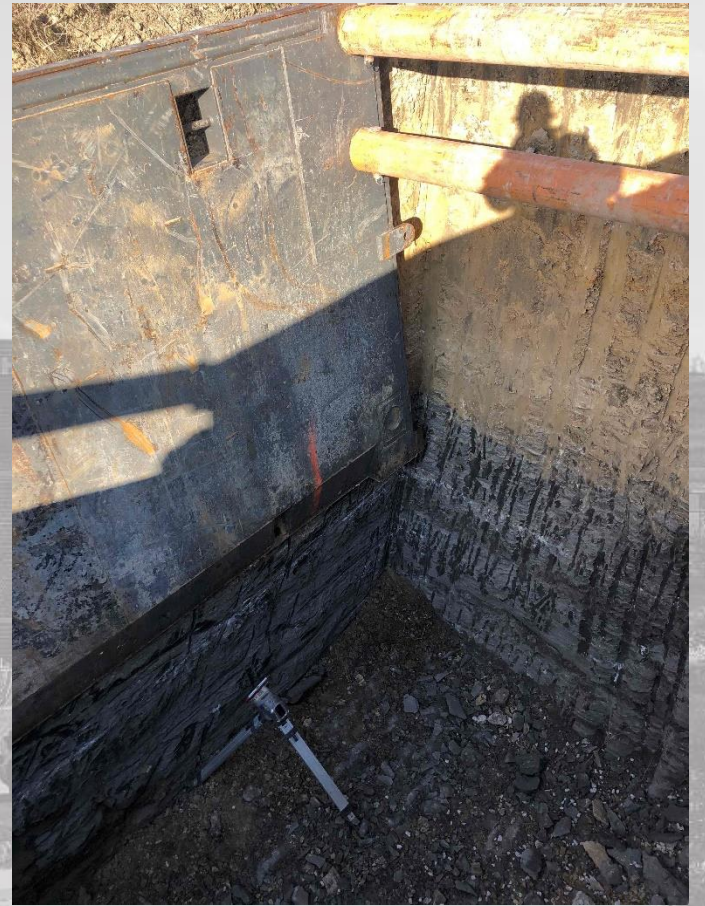
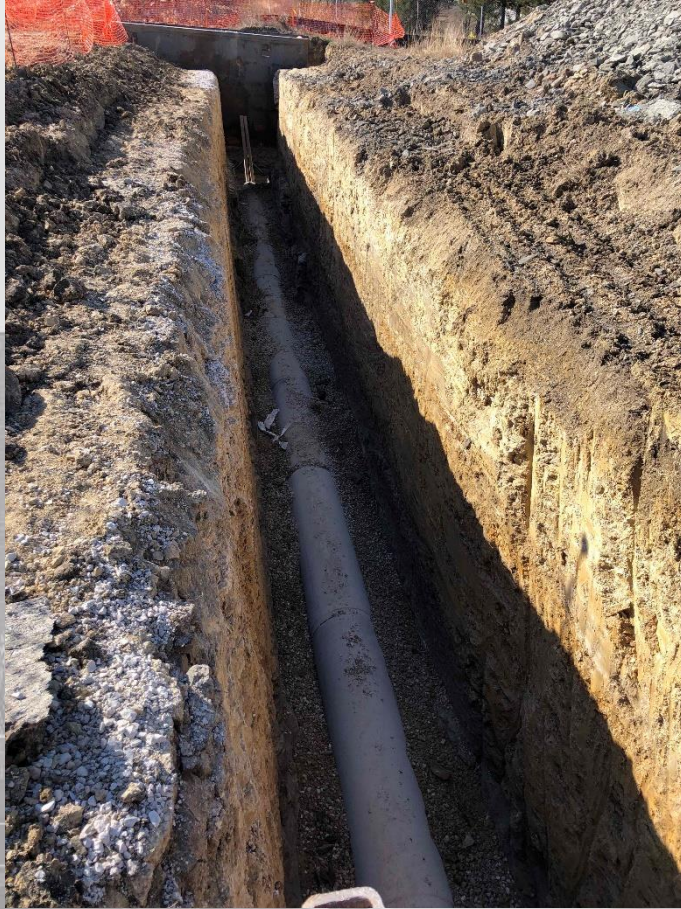
Ground Breaking 12/07/2021



Drilling of Piers



Storm Water

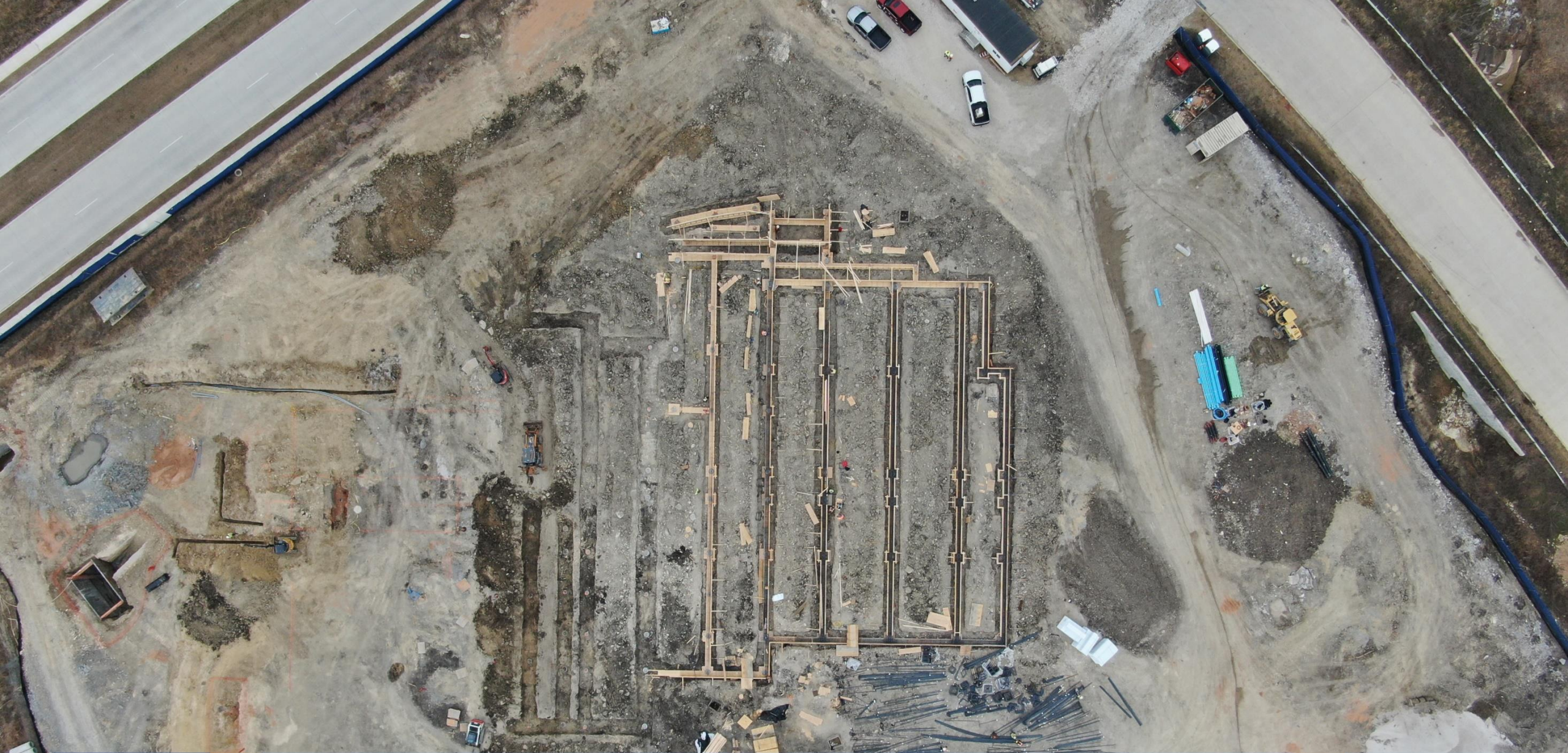




BYRNE
CONSTRUCTION SERVICES

Sherman Police Headquarters
2600 W. Travis St., Sherman, TX 75092

1/19/2022

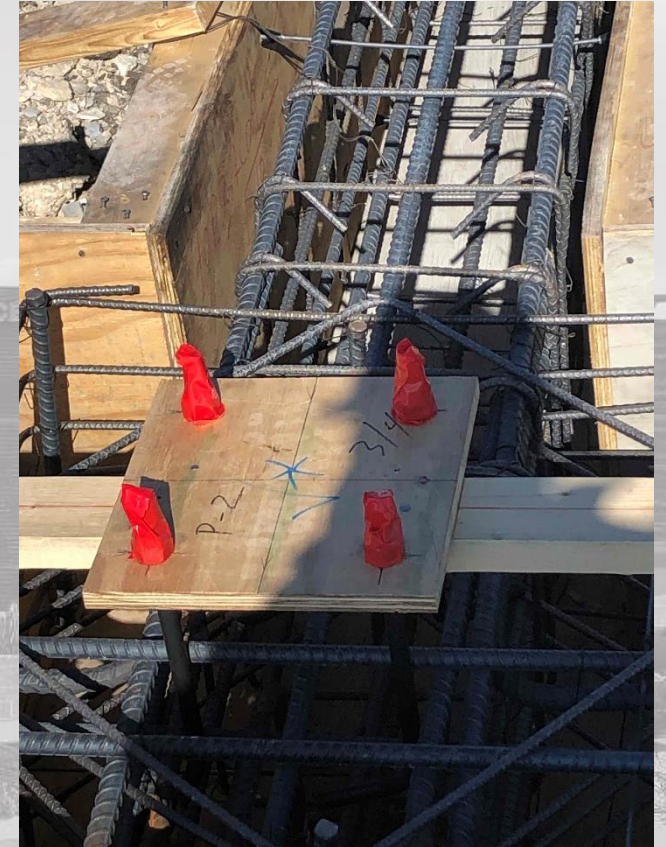
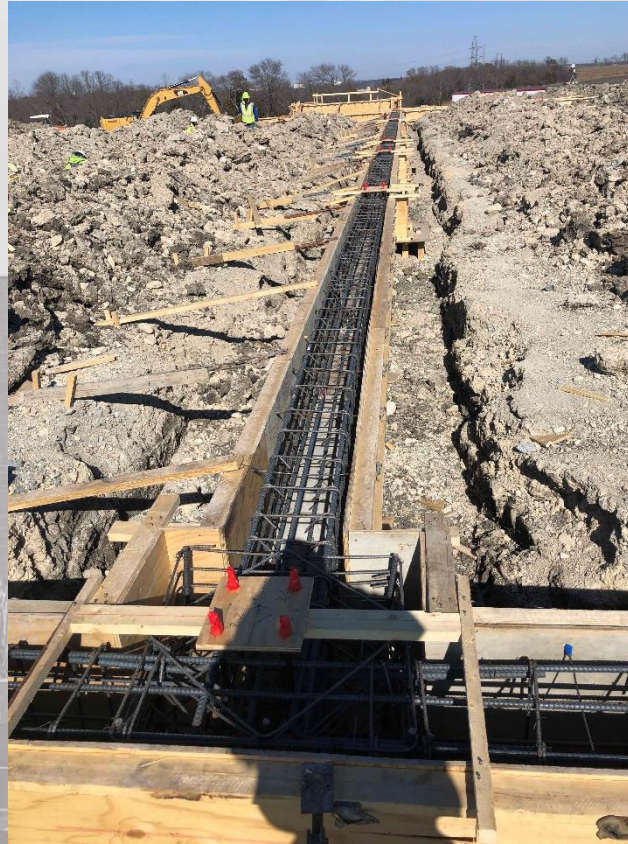


BYRNE
CONSTRUCTION SERVICES

Sherman Police Headquarters
2600 W. Travis St., Sherman, TX 75092

1/19/2022

Grade Beams



Grade Beams





STATE OF TEXAS

§

February 9, 2022

COUNTY OF GRAYSON

§

BE IT REMEMBERED THAT A Called Meeting of the Sherman City Council was begun and held in the City Council Chambers on February 9, 2022.

COUNCIL MEMBERS PRESENT: Mayor David Plyler; Deputy Mayor Pam Howeth.
Council Members Dobbs, Holland, Marroquin, Stevenson, Teamann.

COUNCIL MEMBERS ABSENT: None.

CITY STAFF PRESENT: Robby Hefton, City Manager; Terrence Steele, Assistant City Manager; Clint Philpott, Assistant City Manager; Ryan Pittman, Attorney, Abernathy, Roeder, Boyd, Hullett; Wayne Lee, Director of Engineering; Mary Lawrence, Director of Finance; Rob Rae, Director of Development Services; Danny Jones, Fire Chief; Chris Olson, Assistant Fire Chief; Jason Jeffcoat, Assistant Police Chief; Bruce Dawsey, Assistant Police Chief; Tammy Davis, Controller; Tom Pruitt, Utility Engineer; Jim Cross, Water Systems Manager; Nathan Whiddon, Wastewater Superintendent; Kevin Winkler, Public Works Manager; Eric Sandberg, Assistant Public Works Manager; Leah Campbell, Human Resources/OD Administrator; Cathy Perkins, Human Resources Manager; Nate Strauch, Community and Support Services Manager; Theresa Hutchinson, Parks and Recreation Manager; Tracy Roberts, Customer and Utility Services Manager; Moises Duran, Emergency Management Coordinator; Junior Jaimes, Computer Support Technician; Teri Fine, Assistant to the City Manager; Linda Ashby, City Clerk.

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

Pledge of Allegiance Led by Council Member Daron Holland

Invocation by Council Member Daron Holland

Citizen Comments

Capital Improvement Program Update from Public Works and Council Input

Council Comments

Executive Session

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

COUNCIL MINUTES – FEBRUARY 9, 2022

TEX. GOV'T CODE § 551.071 --

Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

TEX. GOV'T CODE § 551.072 --

Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

TEX. GOV'T CODE § 551.073 –

Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.

TEX. GOV'T CODE § 551.074 –

Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing

TEX. GOV'T CODE § 551.076 –

Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit

TEX. GOV'T CODE § 551.087 –

Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect

TEX. GOV'T CODE § 551.089 –

Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices

Open Meeting

Adjournment

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

Mayor Plyler called the meeting to order at 11:04 a.m., declared a quorum present, and opened the Called City Council Meeting.

PLEDGE OF ALLEGIANCE LED BY COUNCIL MEMBER DARON HOLLAND

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INVOCATION BY COUNCIL MEMBER DARON HOLLAND

CITIZEN COMMENTS

There were no citizen's comments.

CAPITAL IMPROVEMENT PROGRAM UPDATE FROM PUBLIC WORKS AND COUNCIL INPUT

Robby Hefton, City Manager, said this was the “unofficial” kickoff for the budget cycle. He said there will also be a Capital Improvement Program Meeting sometime during April or May. He said the City's budget has become so complex, it requires multiple meetings to address all the issues. Two-on-two meetings will also be held in the next month. Mr. Hefton said there was a special training session on February 23, 2022, with the Planning and Zoning Commission, which will be led by Ryan Pittman, City Attorney.

Mr. Hefton said today's meeting was for information only, and no direction would be needed from the City Council. He stressed the “volume” of things that would need to be done, not just the “number” of projects, that related to the impact of the Texas Instruments project, on the City's CIP and financial plan. These items will be included in the budget and the CIP as they are prepared for the next fiscal year.

TI Project Update

Mr. Hefton said the City is receiving some clarity on the scope and timing of the TI Project. When the tax abatement and Chapter 380 agreements were put into place, there were dates listing requirements for TI to start the various phases “no later” than those dates. For Phases III and IV, those dates were at the end of the 2030 decade.

The information that the City is now getting from TI's engineers and that they are releasing to the public, is that Phase III and IV are really more of a late 2020s issue than a late 2030s issue, speeding it up between eight and ten years. With the scope of their water usage, which is millions of gallons per day, that has a significant impact on the City's planning efforts for the Water Treatment Plant, the Wastewater Treatment Plant, the Distribution System, the Pressure Zones, and the Elevated Tanks.

He emphasized, that the City really needs to start work today, and has started work, on phases I through IV. Phases I and II are not the “biggest pressure point.” Into Phase III is when the City will have issues with the ability to supply water and/or treat wastewater for the new facility.

Mr. Hefton said Phases I and II are still on track to be moving dirt in 2022. Phases III and IV are the catalysts for improvements at the Water Treatment Plant and the Wastewater Treatment Plant.

5-Year CIP Plan Update

Clint Philpott, Assistant City Manager, presented a summary of CIP Projects that were approved last fiscal year. He presented several projects that the schedule needs to be accelerated on, or that are critical to the TI announcement. There is also a new project that has been added, because of the TI Project. He explained, that the CIP plan changes dramatically each year based on development. As new development comes on, the staff reviews infrastructure needed to improve those developments.

Shepherd Road was already on the CIP list because of the Shepherd's Place Planned Development, that was approved this Fall. The schedule hasn't changed, but the road definitely needs to be in there now, and it doesn't need to be two lanes, it needs to be four lanes.

Flanary Road and Progress Drive is a project that is pretty close to final design, and was waiting on the Sherman Economic Development Corporation to decide when they wanted to do it. That project will probably move up and SEDCO can decide how to fund it. It will provide a “back door” to Panda Energy, Hart Lumber, and Progress Rail.

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Addressing Flanary Road, from Progress Drive to FM 1417, Mr. Philpott said the intent is that where the new Moore Street will connect, past FedEx on FM 1417, that will connect and have a third way to Shepherd, and continue to Shepherd's Place Development. This project was scheduled, but it was moved forward, to coordinate with TI on their pipeline development, to make sure the City gets the needed right-of-way, and understands the grade. TI doesn't need this project when they open, but it will provide an additional capacity for the industrial park, and will continue to help with development because of the TI effect.

Mr. Philpott also presented the CIP Utility Plan, showing that a lot of the projects are still on the list, but have been moved up. Projects include replacing some of the sewer on the south side of Bel Air Village, and replacing the EDR system that takes the salt and dissolved solids out of the conventional plant, which will cause the plant to be down about 10 mg of treatment capacity. This project will need to be moved up before TI comes on line. He listed several other utility projects that will need to be moved up on the list.

He said the City currently has land under contract, south of the Water Treatment Plant, that will be used for a regional storage pond, that would allow about 100 mg to be stored for emergency usage. This would be about 10 days' worth of usage in an emergency situation. The design of the pond has not been determined.

Mr. Philpott said the staff is looking at what will be needed for TI, while also considering what will benefit future development, and what will be needed for resiliency in the system.

Project Delivery Methods

Mr. Philpott discussed several project delivery methods, some of which have been used by the City in the past, and others that could possibly be used. Some take longer, while others give the City more control. He discussed the pros and cons of several different methods, including the "Design-Bid-Build" method. The City has also used the "Construction Management at Risk" method on some projects, which speeds the process up and allows for more negotiation with a contractor. It can also allow for the early procurement of supplies to save money and make sure the supplies are available when needed.

Water Master Plan

Mr. Philpott said the City already had a consultant working on the Water Master Plan and a Wastewater Master Plan, so they added one more user to the profile, of course this user will be using about the same amount of water that all other users together require.

Preliminary Plan Results

This Water Master Plan provides a "roadmap" of where the City needs to be in the next three years. The City has already started work on the Brine Line Discharge and they are working with TCEQ and a consultant about sending it back to Lake Texoma.

They are also looking at the increase in capacity at the Water Treatment Plant in regards to the Reverse Osmosis/Ultrafiltration Expansion and the EDR Upgrade. This will allow for the removal of some really old equipment that is hard to get parts for when they are needed. The project was already scheduled, but is being moved up. He also addressed other projects that are listed for both "near term" and "long term."

He said cost of the "near term" projects are \$140 million, with more than half being for the Water Treatment Plant and the Lake Texoma Pump Station. The other part is the pipeline to get the water to the south part of Sherman. The staff knew these projects would be needed at some point with development, but the TI Project moved the need sooner than expected.

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Mr. Philpott addressed the Water Treatment Plant Expansion, showing current capacities and current needs. Another question is, does the City take some of the treated water from the Wastewater Treatment Plant and reuse it. There is 8 to 10 mg that is being “sent down the creek.” Can that water be retreated and sent to TI? If that’s possible, the City won’t have to expand the Water Treatment Plant as quickly as they thought. He discussed a scenario for capacity and demand of water in the future. He also discussed transmission lines and the amount of water they could carry, as well as the pumping capacity.

Mr. Hefton said one number that was missing is the cost of expanding the Water Treatment Plant to 15 mgd. He felt the “low end” of that cost would be at the \$30 million range, and it could be \$40 million or \$50 million by the time the project comes up. He added that, TI, being online, will be the mechanism to pay for all this.

City Council Members took a lunch break from 11:35 a.m. to 11:48 a.m.

Project Descriptions

Wayne Lee, Director of Engineering, said Freese & Nichols has been working on the Water Master Plan and they have worked on projects to get a large amount of water usage to the southern part of town. He presented maps of these projects.

- Project 1A – 36” water main, from the Water Treatment Plant to O.B. Groner Road/FM 1417
- Project 1B – 36” and 24” water main, from O.B. Groner to Shepherd Drive
- Project 2 – Increase treatment capacity to 25 mgd; replace EDR with Reverse Osmosis; increase pumping capacity to 30 mgd
- Project 3 – 2 million Elevated Storage Tank
- Project 4 – Texoma Pump Station Improvements
- Project 5 – Proposed 100 mg Terminal Storage Reservoir
- Water Treatment Plant -- Generators (project already in progress)
- Water Treatment Plant -- Construct Concentrate Disposal Line

Wastewater Master Plan

Mr. Philpott addressed the Wastewater Treatment Plant Master Plan by Freese & Nichols, which was also adjusted for TI. There were also “near term” and “long term” projects for the City. At this point, he said the City doesn’t exactly know what “type” of wastewater that TI will be sending to the Wastewater Treatment Plant. Their process is a trade secret that they really don’t want to release.

Preliminary Plan Results

First there needs to be a study to determine what they will be sending us and how it will affect our wastewater system. If their industrial waste kills the “bugs” in the process at the Wastewater Treatment Plant, it could wipe out what is being done there. He said the City has the capacity at the Wastewater Treatment Plant, to handle the flow of Phase I and II, but they need to make sure that what’s in that flow, doesn’t disturb what’s going on.

Mr. Philpott said the other issue is the potential for reuse. There is a “huge” user that’s coming in. Does it make sense to treat their effluent directly with their own plant, maybe one that is on their own site? He said, it was too early to know yet. He also addressed other projects that would be needed at the Wastewater Treatment Plant, to handle the TI effect. Mr. Philpott stressed that, even though the projects are listed, there are still unknowns about what will be needed.

According to TCEQ, when a plant reaches 75% of their permitted capacity, they must engage an engineer, and come up with a plan as to what you are going to do. At 90% capacity, the City must be under construction. For Sherman, he said they will “hit those capacities” with one user, instead of

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over a period of time. Sherman should move from the 75% to the 90% capacity within two years. The study must be done to really understand what is going on, and then the City will be required to “think outside the box.”

Project Descriptions

Mr. Lee said Freese & Nichols are working on the Wastewater Master Plan, and they have been concentrating on this part of town. They have outlined some short-term and long-term projects. But he said they would concentrate on the short-term projects. He presented maps of proposed projects for the Wastewater Treatment Plant.

- Project 1 – Total Dissolved Solids treatability study, based on TI’s proposed effluent and volume, as well as the possibility for reuse and sending some of the water back to TI or other industrial users
- Project 2 – Replace 24” wastewater main with 42” to Shepherd’s Place, serve south Sherman
- Project 3 – Replace 36” wastewater main with 48” to help serve TI and development near Shepherd, south Sherman
- Project 4 – Replace 15” wastewater main with 21” which currently serves Howe. Hopefully, Howe is off the line by then and the lift station can be closed, so Shepherd’s Place can be transferred to this line. TI’s domestic service might be connected to this line.

Street Projects

Mr. Lee said there are also some street projects that are proposed, with some being TI related. Kimley Horn had already been engaged to provide a 30% design for Shepherd Drive, that was being coordinated with Shepherd’s Place. This would determine what the ultimate six-lane road would look like so Shepherd’s Place could design their development to match up with the horizontal and vertical design. He said the City wasn’t planning on building two of those six lanes, until Shepherd’s Place started construction. TI has accelerated that plan, and the City will probably need to build four of the six lanes, to serve Shepherd’s Place and TI. He said they would probably hire Kimley Horn to complete the design. They are currently coordinating with TI’s engineer about driveway locations, and their placement.

Flanary Road is already included in the CIP. Currently it is a narrow, two-lane, asphalt rural road. The current CIP plan is to construct two lanes of a four-lane boulevard for Flanary Road, and Progress Road Extension. He said it makes sense to extend Flanary Road all the way to Shepherd Drive. The timeframe for construction will need to be coordinated with TI and SEDCO, for connectivity with the industrial area.

Mr. Philpott said SEDCO will probably participate in the cost of this project, because part of the Tax Reinvestment Zone will also pay for part of Shepherd Drive. He said there are options on funding and timing of the road projects. He said right-of-way will be needed from TI for these projects. They need to be coordinated, but not necessarily constructed.

Mr. Philpott presented a “5-Year CIP Critical List” of all the “high-level” water and wastewater projects that will be needed for TI. They are based off of quarters, and most will be starting very quickly. A lot of these processes will be started in the next few months. He said most of them need to be completed before 2025. Mr. Philpott asked how it would all be balanced, and said the City has a plan for that too.

As for the qualification process, Mr. Philpott said the staff identified seven firms that were familiar with the Construction Manager at Risk, CMAR, process, and had handled projects of this size and short timeframe. Interviews were held with Lockwood, Andrews, and Newman; Freese & Nichols; Chang, Patel, & Yerby; Parkhill; Plummer Associates; Garver; and Pape-Dawson.

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After the interviews, packages for engineering services will be recommended for award to Garver for all projects for the Water Treatment Plant, Plummer Associates for all projects “inside the fence” at the Wastewater Treatment Plant, and Freese & Nichols for all projects “outside the fence” at the Wastewater Treatment Plant. He said these contracts should probably come to the Council for consideration in March 2022. Mr. Philpott said other firms will still be used for other CIP projects.

Financing and Funding

Mr. Hefton said this could be fully funded through the impact, that just TI will have. He said every 1 mgd for water and sewer usage, equates to an annual revenue of about \$2.5 million, which will support about \$45 million in CIP projects. As a comparison, he said, if an average household uses 300 gallons of water per day, it would take over 3,000 houses to be equivalent to 1 mgd. If TI, in its first two phases uses 7 mgd, that’s equivalent to 21,000 homes.

Mr. Hefton said if there were 21,000 new homes in Sherman, they would have to ask for building staff, and a couple hundred more miles of pipeline. Having one customer that generates 7 mgd, is a different “cost driver” than 21,000 customers that generate that same amount.

He added that every \$1 million in projects, costs about \$54,000 annually in debt service, but varies if it is a 20, 25, or 30-year debt, and depending on the rate. He said a 1% increase in water rates, equates to about \$2.7 million more in projects.

In summation, Mr. Hefton said if, for Phase I and II, TI uses 7 mgd of water, that equates to \$18 million in revenue annually, which could service \$315 million in projects, if there were no incremental operating costs. He said there will be incremental operating costs. Generally speaking, he said it takes the same amount of people at the Water Treatment Plant to produce 1 mgd as it does to produce 20 mgd. When an additional building is eventually added, additional staff might be needed too. But that is after Phase I and II.

He said existing debt service isn’t going to change for this new growth, but there will be new debt service. He addressed the types of things that would change and the things that wouldn’t change in the Utility Fund projections. It does take more chemicals to treat more water, and more electricity to pump more water from the Lake. He said, not all of the \$315 million in capacity that would be added from TI’s revenue, will be available for debt service, but most of it will. He said “the vast majority” could be used for debt service.

Mr. Hefton said there are other things, besides TI, that have been built into today’s presentation. It’s the planned developments that are coming on line, and the natural growth that is seen annually. The benefits discussed today are for the entire water system, and especially for growth to the south and west of Sherman, that’s not on the groundwater system.

Estimated Project Costs, Timing, Funding

He said there will be a lot of money spent on projects in the coming years, but Sherman has the ability to service that debt, once TI is up and running. He said TI’s revenue will really start “ramping up” in 2025 and 2026. The current debt service projections don’t show anything for a Wastewater Treatment Plant expansion, but it gives the City “millions of dollars of headroom” to be able to bond and pay for those bonds, especially with the TI revenue.

Generally speaking, Mr. Hefton said the City would be going from about \$26 million a year in revenue to \$47 million a year, nearly doubling revenue, in a short period of time. Cost would also be going up, with the biggest part of that being the debt. He said the period of 2023, 2024, and 2025 will be a challenge for the City to cover. It’s also going to have an impact on the days of reserve that the City holds.

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He added that the staff will not bring the Council a plan that has negative reserves, but this does show the impact of what has been discussed today. Once TI is up and running, he said it would be fine, but there will be several years that will be “a challenge.”

Mr. Hefton said he had already had conversations with Kent Sharp, President of SEDCO, who has also had preliminary conversations with the SEDCO Board, and they are prepared to help with infrastructure costs. Mr. Hefton thought one way they could help, is to help cover the \$6 million in deficit over the next three years, until it starts paying for itself. Mr. Sharp was okay with that, but he hasn't taken it to the Board, and they really don't know “what the ask” will be. The \$5 million to \$6 million is probably a pretty accurate estimate, and Mr. Hefton said “injecting that into this model” would bring the reserves back up to the 60 to 90 days of reserves, where they should be.

Other financing possibilities include other City reserves, and asking for participation from TI. He said TI is also doing their own planning, “inside their fence.” There are other possible funding alternatives that might be used. He addressed the cumulative growth of the water and sewer revenue from all areas, including regular growth, not associated with TI. Mr. Hefton outlined a chart showing debt service in effect today, along with the cumulative new debt service that is anticipated, both for TI and for other projects. The most likely funding through the Greater Texoma Utility Authority is on the open market, instead of the Drinking Water State Revolving Fund.

Mr. Hefton said one other funding alternative that has been used in the past is an infrastructure agreement with the company itself, in this case TI. The example used was an agreement with MEMC in 1996. It was a \$10 million project, and one-third of the cost for the infrastructure was paid by MEMC and donated to the City. The other two-thirds was set aside as a loan, from MEMC to the City, with a 6.5% interest rate, which was repaid back to MEMC over the next 10 years as a reduction in their water and sewer rates. Forty percent of their water and sewer bill was set aside to pay down that balance, with interest. At the end of the 10 years, if there was any of the balance remaining, it was “forgiven” and wiped off the books.

He said discussions are just beginning with TI and there are opportunities to do something creative if needed. The possibility of TI's involvement has not been fully explored at this time.

Mr. Hefton addressed the next steps. In March or April 2022, the staff will be bringing contracts with the three firms that were selected, to the Council for consideration. He said it will probably also include a Project Management element to the contract, which would allow for a third party to provide external oversight, on behalf of the City, over the engineers.

The City will also begin looking at the alignment for the pipeline from the Water Plant, southward. Easements and rights-of-way will need to be obtained for that pipeline.

The Utility Rate Study also needs to be updated by the Summer of 2022, the Water and Wastewater Master Plan Updates should be completed in 2022, and the Impact Fee should be updated by Fall 2022. All of these efforts should be between the 2022 to 2025 timeframe.

After that, the focus will be shifted to Phases III and IV, with more visibility on the Wastewater Treatment Plant plans. He felt like the City knew what the needs were on the water side of the discussion, but wastewater is more “squishy” because the City doesn't have some of the answers.

Once these users come on board and all four phases of the TI project are in place, Sherman will be “out of water.” That does include “peaking factors” and growth that will happen between now and 2030. But conversations will need to begin “soon” about how to recapture that water.

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Mr. Hefton said Sherman treats and sends “down the creek,” 75% of the water that is treated at the Water Treatment Plant. For example, if the City needed 10 mgd for pumping and treating, from both systems combined, then 7 mgd is available for reuse. The question is how does it get reused. Is it pumped back to the headworks of the Water Treatment Plant, is it pumped back to Lake Texoma, or is it pumped to North Texas Municipal Water District and do a swap?

NTMWD is already pulling water from multiple lakes. They can only pull so much water from Lake Texoma to blend with their water from Lake Lavon, because Lake Texoma is so salty and brackish. There are “tens of millions of gallons of water a day” that they are not using out of their allocation because it’s too dirty to mix. He said, what if they take Sherman’s effluent, which is much cleaner, and Sherman takes their raw water allocation from Lake Texoma?

Discussions haven’t been started with NTMWD, but it is an idea that might work. Sherman could construct a pipeline that takes the effluent into their reservoir that flows into Lake Lavon. They would still be getting the same amount of water, but it would provide them with an opportunity to use Lake Texoma water sooner, because it’s cleaner.

Mr. Hefton said he wasn’t worried that Sherman was going to run out of water, because there are a lot of creative things that can be done. The water that Sherman is pumping into the creek can always be recaptured and reused. He said that plan wouldn’t be needed today, but probably by the 2025 or 2026 timeframe.

Mr. Hefton outlined the “take-aways” from today’s meeting. There will be a significant investment needed in both utility and road infrastructure, that needs to happen over the next two years. The first “major push” will be in FY 2022 through 2025, and will be preparation for TI’s Phases I and II, especially on water. The second “push” will be in FY 2024 through 2026, and will be preparation for TI’s Phases III and IV, and will include water and wastewater.

He said there will also be some financial challenges in the Utility Fund, until TI is in production. It won’t be long-term, but will need to be covered. The staff will present a plan during the budget process. He said there will be a lot more discussion over the next few months, as plans are made.

COUNCIL COMMENTS

There were no Council comments.

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

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

TEX. GOV’T CODE § 551.071 --

SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

TEX. GOV’T CODE § 551.072 --

DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF

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DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --

DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --

DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

TEX. GOV'T CODE § 551.076 –

DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 –

DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

TEX. GOV'T CODE § 551.089 --

DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 12:46 p.m.

On Motion duly made and carried, the Executive Session recessed at 1:00 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

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ADJOURNMENT

There being no further business to come before the City Council, motion was duly made and approved to adjourn the Called Meeting at 1:01 p.m.

MAYOR

ATTEST

CITY CLERK

Public Works Projects Update (& TI Impacts)

- TI Project Update
- 5 Year CIP Plan Update
- Project Delivery Methods
- Water Master Plan
 - Preliminary Plan Results
 - Project Descriptions
- Wastewater Master Plan
 - Preliminary Plan Results
 - Project Descriptions
- Street Projects
- Financing and Funding
 - Estimated project costs, timing, funding

TI PROJECT UPDATE

(Dallas News Article)

- Phase I & II construction commence in FY22 and begin production in FY25
- Phase III & IV construction commence between 2026-2030
 - Tax Abatement Agreements for Phases III & IV require commencement by 2035 and 2038, respectively
- Phase III & IV are catalyst for WTP & WWTP capacity expansions

2022 CIP Changes

GENERAL SERVICES

PROJECT	FY 2022 Budgeted	FY 2023 Proposed	FY 2024 Proposed	FY 2025 Proposed	FY 2026 Proposed
ENGINEERING SERVICES					
Design & Construct Shepherd Road Adjacent to Proposed Development	\$ 330,000	\$ 3,300,000	\$ -	\$ -	\$ -
Major Rebuild Projects	\$ 1,000,000	\$ 500,000	\$ -	\$ -	\$ -
Design & Construct Signal at FM 1417 & Bel Air Boulevard	\$ 75,000	\$ 400,000	\$ -	\$ -	\$ -
Design & Construct Beach Club Boulevard	\$ 300,000	\$ 1,500,000	\$ -	\$ -	\$ -
Design & Construct Lamberth Road Expansion - Shady Oaks to Friendship Road	\$ 500,000	\$ -	\$ 3,000,000	\$ -	\$ -
Design & ROW Acquisition for FM 1417 Improvements - SH 56 to W. Travis	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
Repair South Travis Street Bridge at Post Oak Creek	\$ 600,000	\$ -	\$ -	\$ -	\$ -
Engineer & Construct McGee Street - Phase II - Little Lane to Sand Creek	\$ 540,000	\$ -	\$ -	\$ -	\$ -
Reconstruct North End of San Miguel Street as a Cul-De-Sac	\$ 110,000	\$ -	\$ -	\$ -	\$ -
Schematic Design of Friendship Road - SH 56 to OB Groner	\$ 600,000	\$ -	\$ -	\$ -	\$ -
Bel Air Boulevard Construction - Phase II	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -
TIF #2 - Downtown General Improvements	\$ 600,000	\$ -	\$ -	\$ -	\$ -
TIF #3 - Old Medical Plaza Hospital Demolition & Asbestos Mitigation	\$ 200,000	\$ -	\$ -	\$ -	\$ -
TIRZ #5 - Crossroads General Improvements	\$ 325,000	\$ -	\$ -	\$ -	\$ -
TIRZ #6 - Reimburse Sherman Landing Developer	\$ 800,000	\$ -	\$ -	\$ -	\$ -
Extend Moore Street - Park Ave to Power Easement	\$ 2,200,000	\$ -	\$ -	\$ -	\$ -
Design & Construct Heritage Ranch East-West Collector - Plainview Road to FM 1417	\$ -	\$ 500,000	\$ 3,000,000	\$ 2,000,000	\$ -
Repair Erosion Damage & Overlay Bridge Deck on McGee Street Bridge	\$ -	\$ 150,000	\$ 750,000	\$ -	\$ -
Design & Construct Legacy Boulevard	\$ -	\$ 200,000	\$ 1,200,000	\$ -	\$ -
Planning Costs for FM 1417 Improvements - US 75 East to Railroad Crossing	\$ -	\$ 500,000	\$ -	\$ -	\$ -
Extend Moore Street - Power Easement to Center Street	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -
Bel Air Boulevard Construction - Phase III	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
Construct Progress Drive - Progress Rail to Flanary Road	\$ -	\$ -	\$ 1,900,000	\$ -	\$ -
Construct Street Connecting Loy Lake Road to Fallon Drive Overpass	\$ -	\$ -	\$ 500,000	\$ -	\$ -
Construct Flanary Road - FM 1417 to Progress Drive	\$ 330,000	\$ 5,600,000	\$ 3,700,000	\$ -	\$ -
Engineering Design for Future McGee/Washington Construction - Washington to SH 289	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -
Engineer & Construct McGee Street Bridge Across Sand Creek	\$ -	\$ -	\$ 500,000	\$ -	\$ -
Design & Construct Park Street - Lake Street to SH 11	\$ -	\$ -	\$ -	\$ 300,000	\$ 1,700,000
Final Engineering of Fallon Drive - East Towards Dripping Springs	\$ -	\$ -	\$ -	\$ 100,000	\$ 1,000,000
New Flanary Drive Extension from FM 1417 to Shepherd	\$ 330,000	\$ 5,600,000	\$ -	\$ -	\$ -

2022 CIP Changes

UTILITY

SERVICES

PROJECT	FY 2022 Budgeted	FY 2023 Proposed	FY 2024 Proposed	FY 2025 Proposed	FY 2026 Proposed
Oversizing Costs for Annual Water & Sewer Projects	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Upgrade Water System at High Country Estates	\$ 60,000	\$ 70,000	\$ 80,000	\$ -	\$ -
Replace Deteriorated Southside Industrial Sewer	\$ 250,000	\$ 2,400,000	\$ 1,950,000	\$ -	\$ -
Replace EDR Process with RO Filtration at WTP	\$ 50,000	\$ 1.0M 400,000	\$ 9.0M 4,000,000	\$ -	\$ -
Engineer & Rehabilitate Backwash Tank at WTP	\$ 250,000	\$ 1,500,000	\$ -	\$ -	\$ -
Refurbish Flocculation/Sedimentation Basin at WTP	\$ 250,000	\$ 2,125,000	\$ -	\$ -	\$ -
Perform Maintenance & Refurbish Rex Cruse Elevated Storage Tank	\$ 75,000	\$ 500,000	\$ -	\$ -	\$ -
Engineer & Construct Wastewater Concentrate Disposal Line at WTP	\$ 400,000	\$ 2,000,000	\$ -	\$ -	\$ -
Replace WWTP Main Switchgear & Upgrade Electrical	\$ 500,000	\$ 4,500,000	\$ -	\$ -	\$ -
Legacy Surface Water Line - Phases II & III	\$ 1,500,000	\$ 1,000,000	\$ -	\$ -	\$ -
Replace Center Street Inverted Siphon Sewer Line	\$ 65,000	\$ 500,000	\$ -	\$ -	\$ -
Implement AWIA Security Upgrades for WTP	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Implement Vulnerability Assessment Security Upgrade Recommendations	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Replace Headworks Pump #1 at WWTP	\$ 145,000	\$ -	\$ -	\$ -	\$ -
Ida Road Ground Storage Tank - Modifications & Repairs	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
Replace 12" Water Main Along Texoma Parkway	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
Abandon Old Wells & Pumps at High Country & Preston Club	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Construct Backup Generator at WTP	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Construct Backup Generator at Texoma Pump Station	\$ 900,000	\$ -	\$ -	\$ -	\$ -
Construct Sewer in Northwest Sherman	\$ 1,823,000	\$ -	\$ -	\$ -	\$ -
Perform Annual Stream Stabilization	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Design & Construct Heritage Ranch Lift Station	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Engineer Creek Stabilization Near Nantucket/Post Oak Creek	\$ 600,000	\$ -	\$ -	\$ -	\$ -

2022 CIP Changes

UTILITY

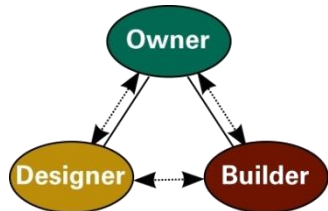
SERVICES

PROJECT	FY 2022 Budgeted	FY 2023 Proposed	FY 2024 Proposed	FY 2025 Proposed	FY 2026 Proposed
Extend Utilities to Serve Shepherd Drive Development	\$ 400,000	\$ -	\$ -	\$ -	\$ -
Construct Legacy Waterline - Phase I	\$ 400,000	\$ -	\$ -	\$ -	\$ -
Construct Utilities Within Bel Air Boulevard Planned Development	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Engineer, Design & Construct Main Digester Complex Rehabilitation	\$ -	\$ 500,000	\$ 3,500,000	\$ -	\$ -
Upgrade WTP Lake Station Pump	\$ 700,000	\$ 6.0M	\$ 400,000	\$ 2,240,000	\$ -
Expand & Remodel Lab Facility & Interior Areas	\$ -	\$ 1,750,000	\$ -	\$ -	\$ -
Engineer, Design & Construct Equalization Basin Blower Rehabilitation	\$ -	\$ 750,000	\$ -	\$ -	\$ -
Replace Base & Resurface Main Road at WWTP	\$ -	\$ 90,000	\$ -	\$ -	\$ -
Demolish Old Sludge Drying Beds	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Conduct Odor Management Strategies Study for WWTP	\$ -	\$ -	\$ 200,000	\$ -	\$ -
Rehabilitate Sludge Lagoon at WWTP	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Replace Filter Media & Refurbish Filter Basin at WTP	\$ -	\$ -	\$ 600,000	\$ -	\$ -
Refurbish Ground Storage Tank at Fairview	\$ -	\$ -	\$ 600,000	\$ -	\$ -
Build Out UF/RO Space to Increase Capacity at WTP	\$ 300,000	\$ 2,500,000	\$ -	\$ 500,000	\$ 2,500,000
Refurbish Dorchester Site 8 Ground Storage Tank	\$ -	\$ -	\$ -	\$ 600,000	\$ -
Resurface Concrete Filter Basins at WTP	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Rehabilitate UV Disinfection System at WWTP	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -
Conduct Digester System Upgrade Feasibility Study	\$ 500,000	\$ -	\$ -	\$ 300,000	\$ -
Engineer, Design & Construct Rehab Grit Removal Process	\$ -	\$ -	\$ -	\$ -	\$ 500,000
36" Water Transmission Line 1A	\$ 6,000,000	\$ 42,000,000	\$ -	\$ -	\$ -
36" Water Transmission Line 1B	\$ 2,400,000	\$ 16,000,000	\$ -	\$ -	\$ -
WTP High Service Pump Expansion	\$ 1,400,000	\$ 11,000,000	\$ -	\$ -	\$ -
WTP UF / RO Expansion	\$ 300,000	\$ 2,500,000	\$ -	\$ -	\$ -
2.0 MGD Elevated Storage Tank	\$ -	\$ 1,900,000	\$ 15,700,000	\$ -	\$ -
100 MG Terminal Storage Reservoir	\$ 2,600,000	\$ -	\$ -	\$ 21,500,000	\$ -
24" Wastewater Line to 42"	\$ -	\$ 565,000	\$ 4,700,000	\$ -	\$ -
36" Wastewater Line to 48"	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 10,000,000
36" Wastewater Line to 48"	\$ -	\$ -	\$ -	\$ 444,000	\$ 3,700,000

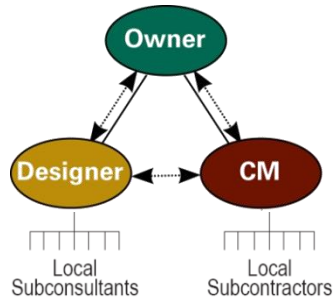
Project Delivery Methods

Basic Delivery

Design-Bid-Build (DBB)



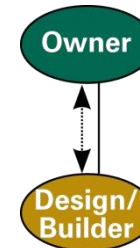
Construction Management at Risk (CMAR)



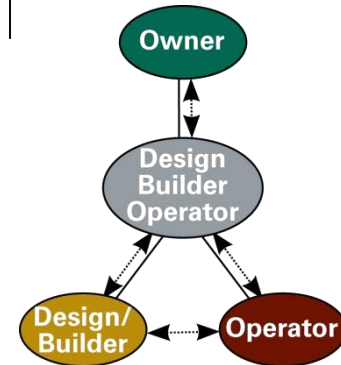
"Progressive" Design-Build (GMP)



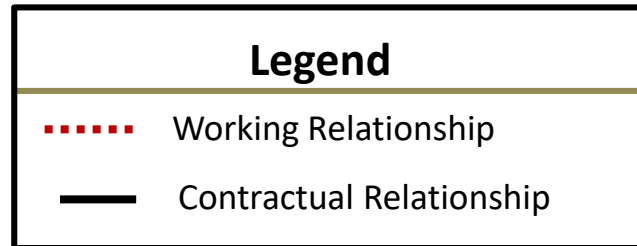
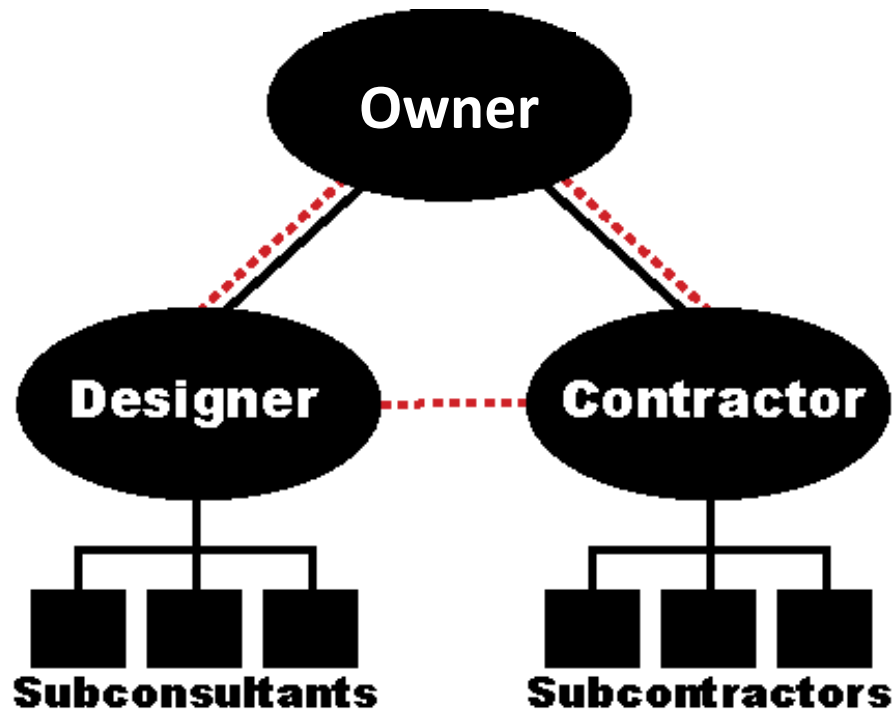
Fixed-Price Design-Build (FP)



Design-Build-Operate/Finance, etc.

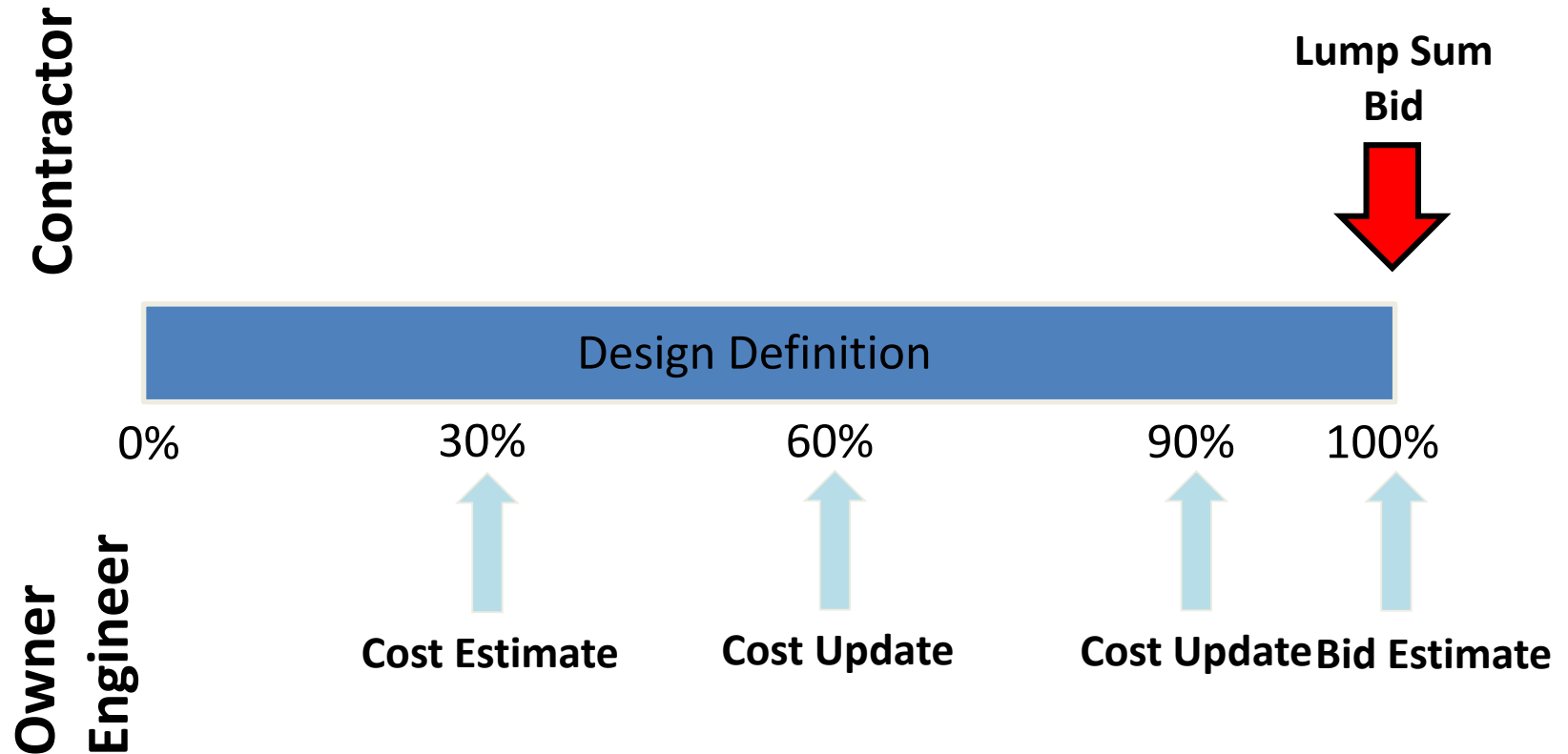


Design-Bid-Build (DBBB) Method

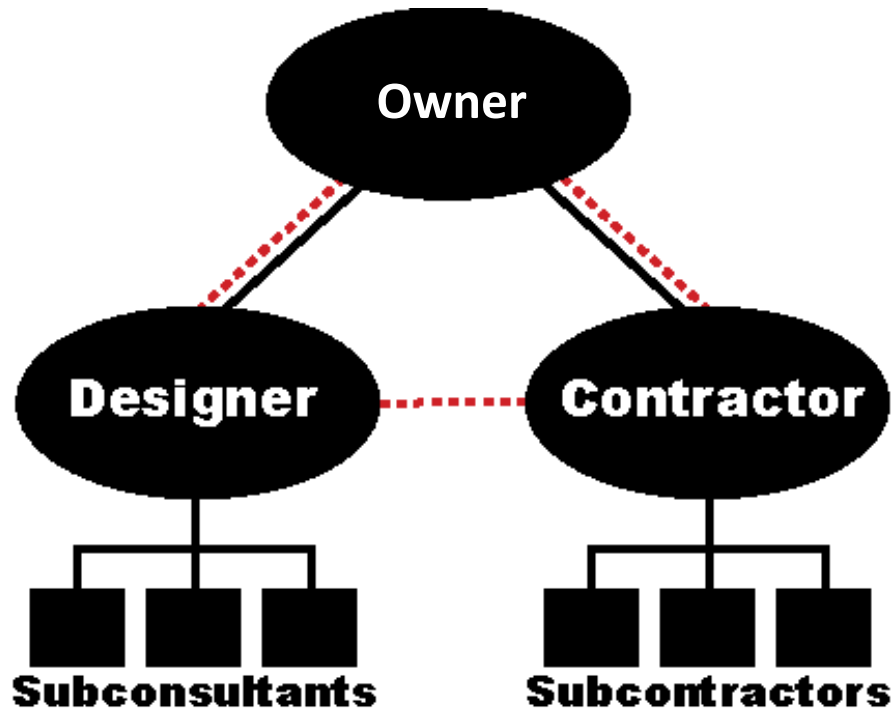


- **Alternate Terminology**
 - Competitive Bidding
- **Pricing Structure**
 - Fixed Bid Price (LS)

Cost Model Timeline - DBB



Construction Manager at Risk (CMAR)



- **Alternate Terminology**

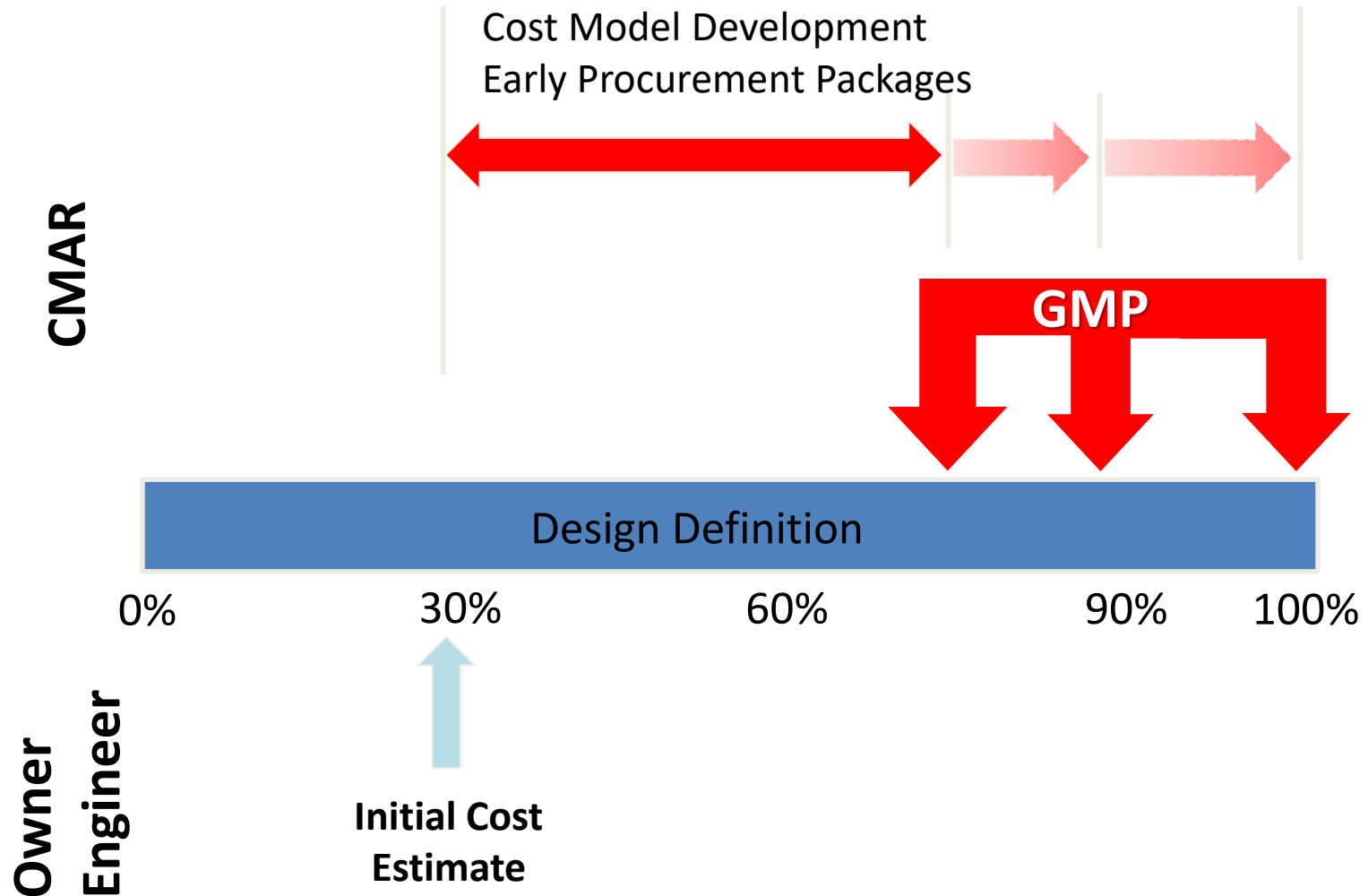
- CM/GC
- GC/CM

- **Pricing Structure**

- Negotiated GMP

Legend	
.....	Working Relationship
————	Contractual Relationship

Cost Model Timeline – CMAR



Water Treatment and Distribution

City of Sherman
Water Master Plan
Water Capital Improvements Plan

Phase	In-Service Date (Year)	Project Number	Project Name	Cost ⁽¹⁾⁽²⁾ (In 2022 Dollars)
Near Term	2022	WTP-1	Brine Line Discharge	\$2,300,000
	2022-2023	WTP-2	Reverse Osmosis/Ultrafiltration Expansion	\$3,000,000
	2023-2024	WTP-3	Electrodialysis Reversal Upgrade	\$10,000,000
	2024	1A	36" Water Transmission "High Head" Line - Phase 1A	\$46,208,300
	2024	1B	36/24-inch Water Transmission "High Head" Line - Phase 1B	\$18,165,100
	2025	2	SWTP High Service Pump Station Capacity Increase to 30 MGD (Electrical and Mechanical)	\$12,376,000
	2025	3	2.0 MG Elevated Storage Tank for Industrial Park and 36" Water Transmission Line	\$17,602,900
	2024	4	Texoma Raw Water Pump Station Expansion - Add 25 MGD Pump	\$6,552,000
	2026	5	100 MG Terminal Storage Reservoir	\$24,024,000
	Total Near Term			\$140,228,300
Long Term	2029	6	New Surface Water Low Pressure Pump Station and New 3.4 MG Clearwell	\$31,740,800
	2029	7	36-inch Water Transmission "Low Head" Line	\$56,670,500
	Total Long Term			\$88,411,300

(1) Proposed project (#1A - #7) costs include 12% engineering and survey and 30% contingency

(2) Costs do not include land or right of way acquisition

(3) Cost does not include treatment capacity expansion

Near Term Projects

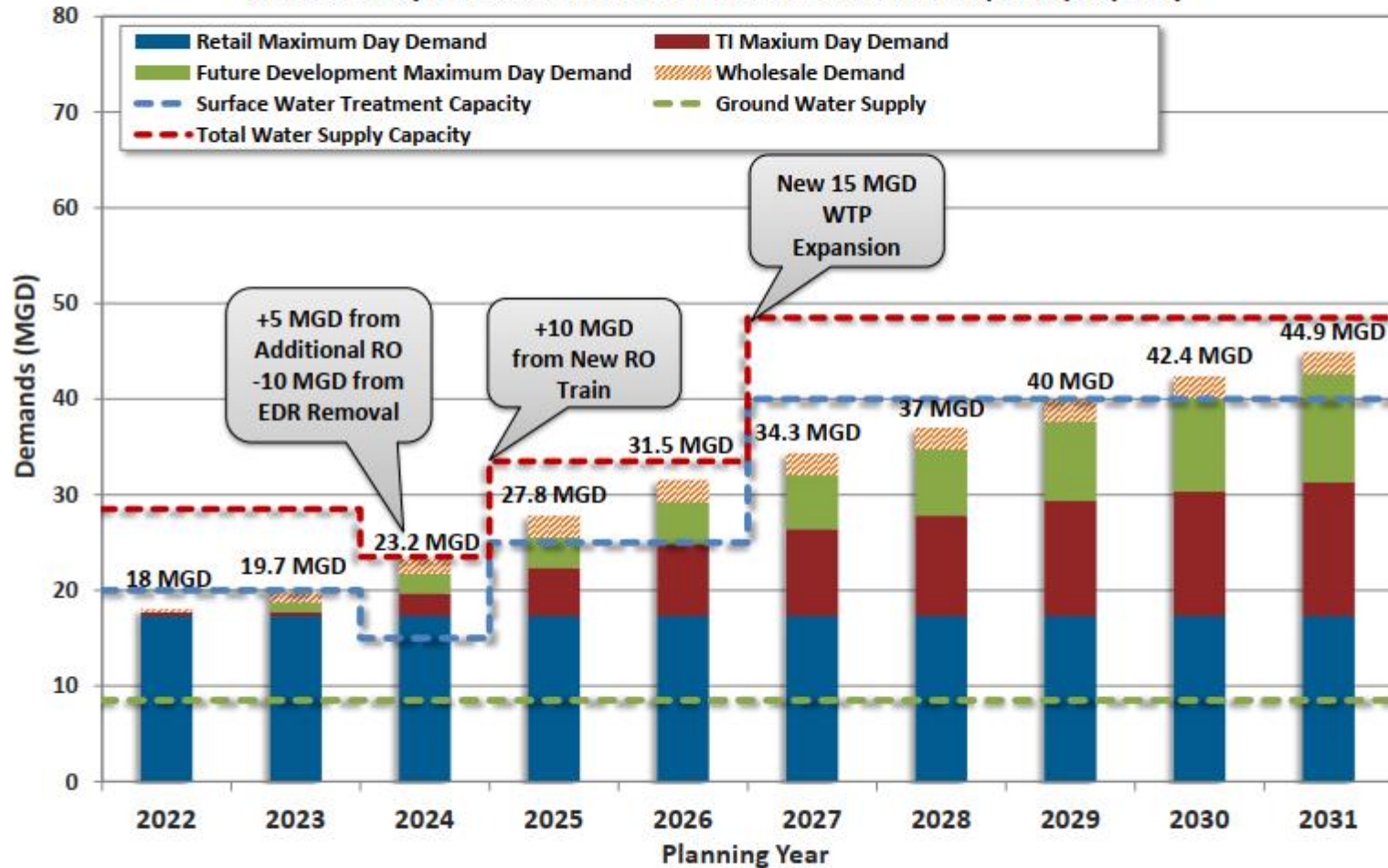
WTP & Pumping Projects – \$76M

Pipeline Projects - \$64M

WTP Expansion - \$???

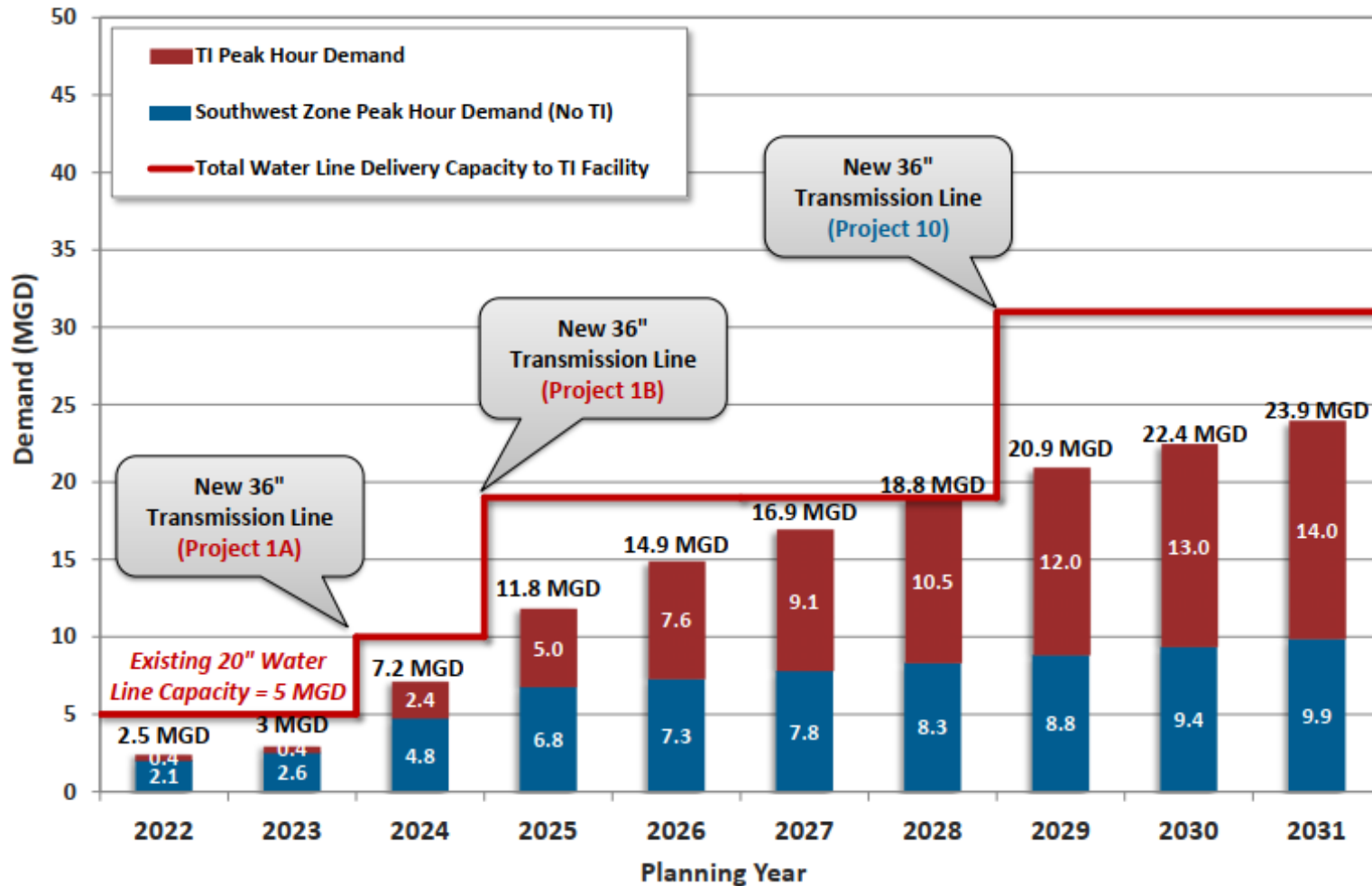
City of Sherman Water Master Plan

Maximum Day Demand and Surface Water Treatment Plant (SWTP) Capacity



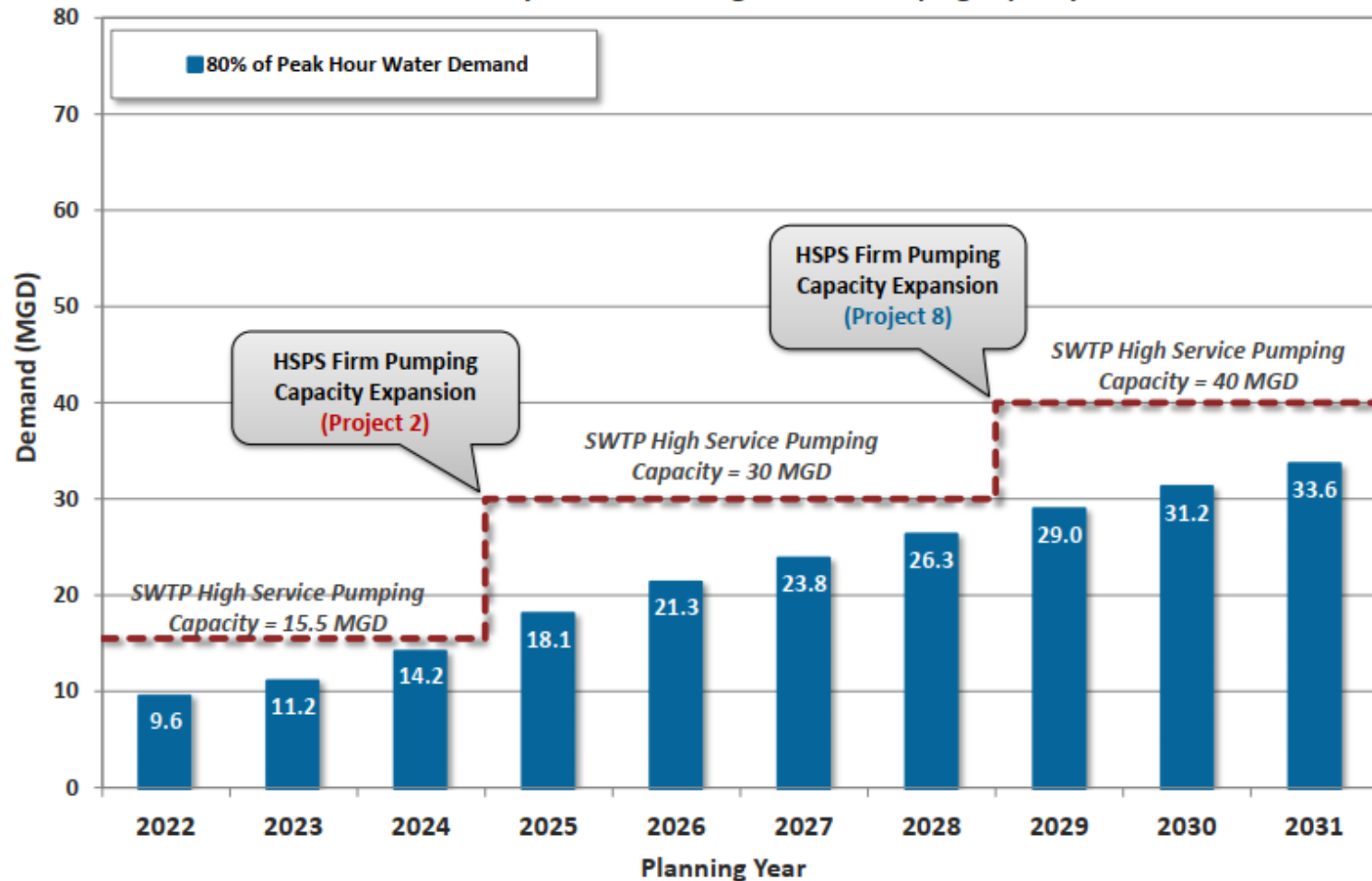
City of Sherman Water Master Plan

Peak Hour Demand with TI Transmission Line Capacity

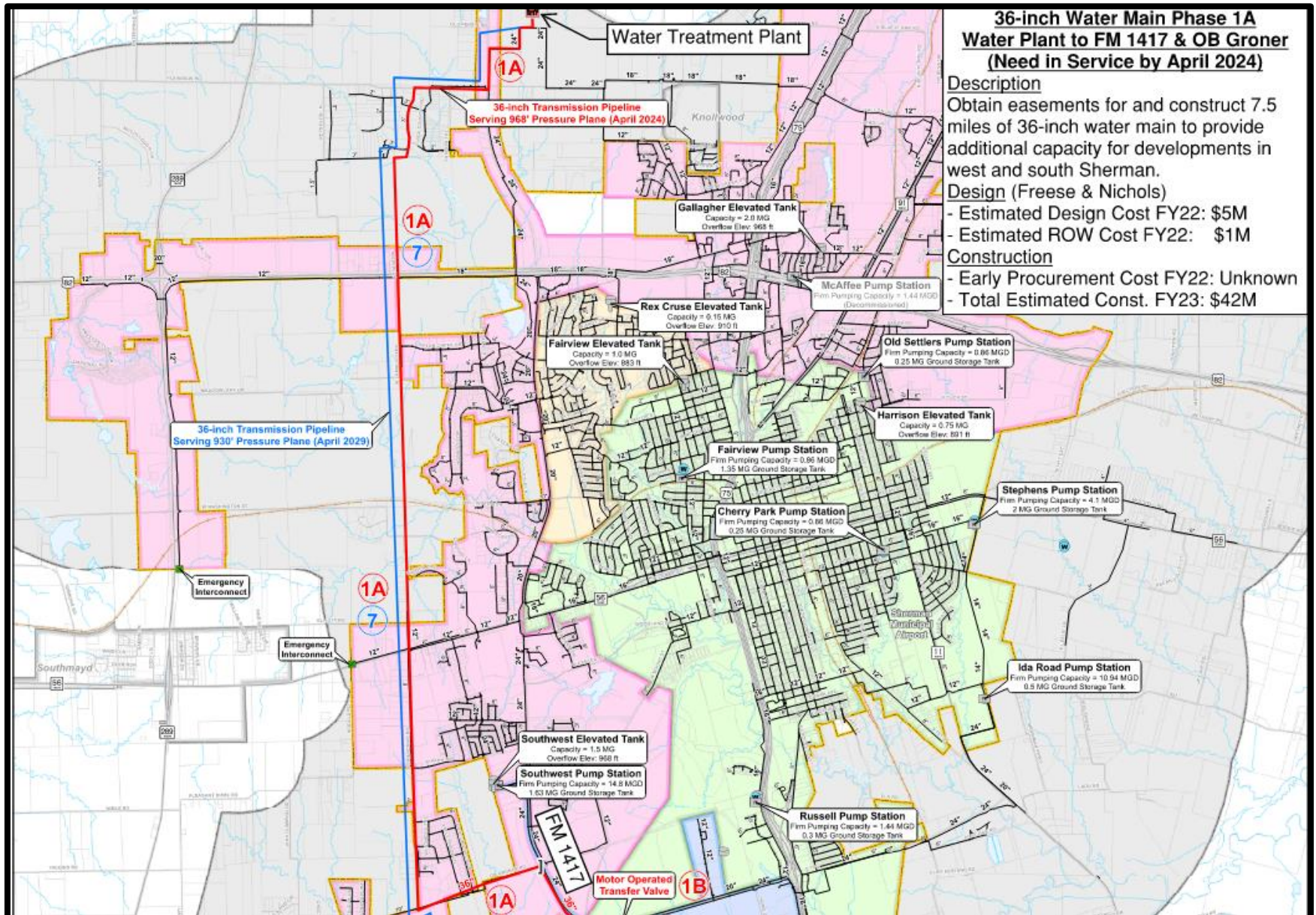


City of Sherman Water Master Plan

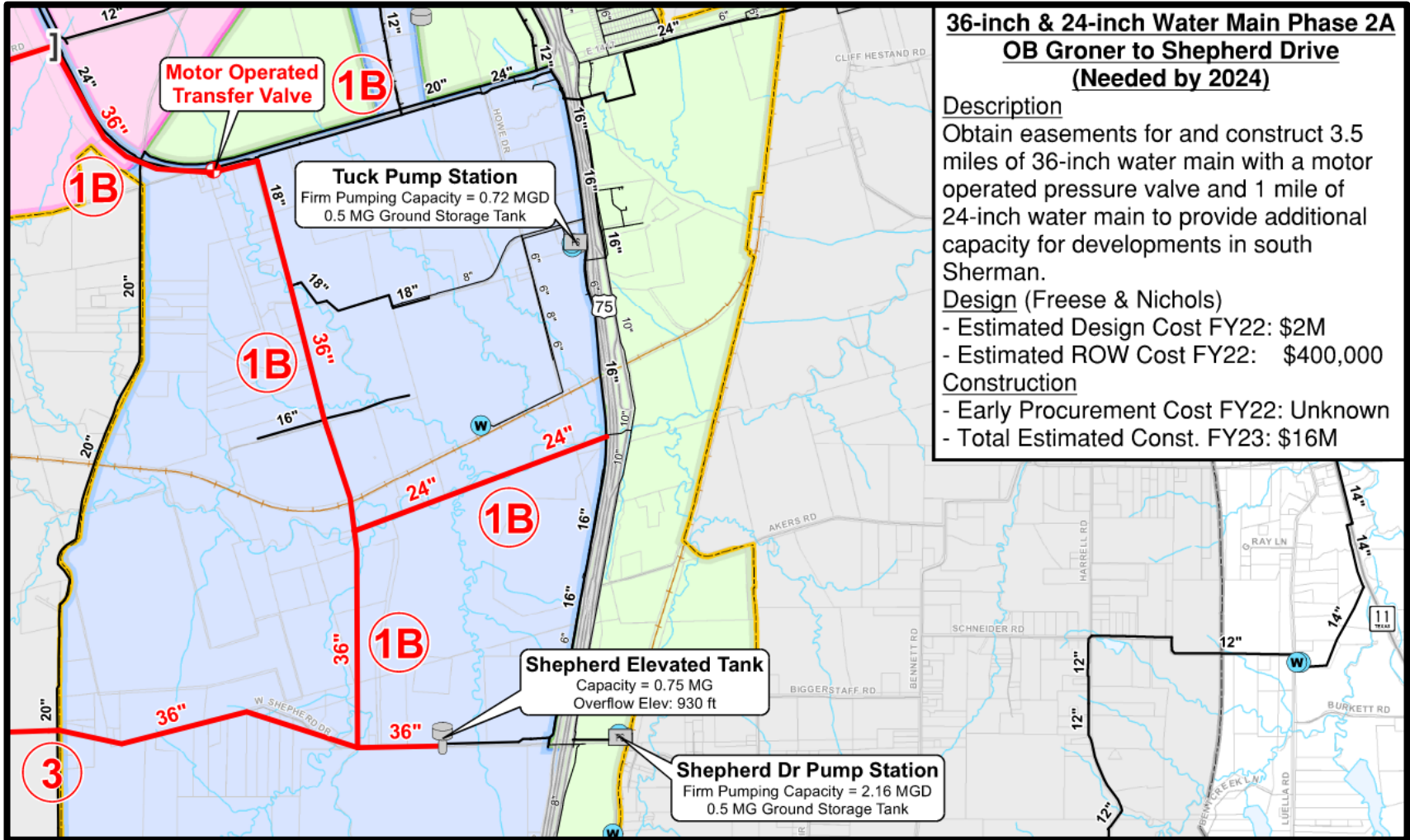
Maximum Day Demand and High Service Pumping Capacity



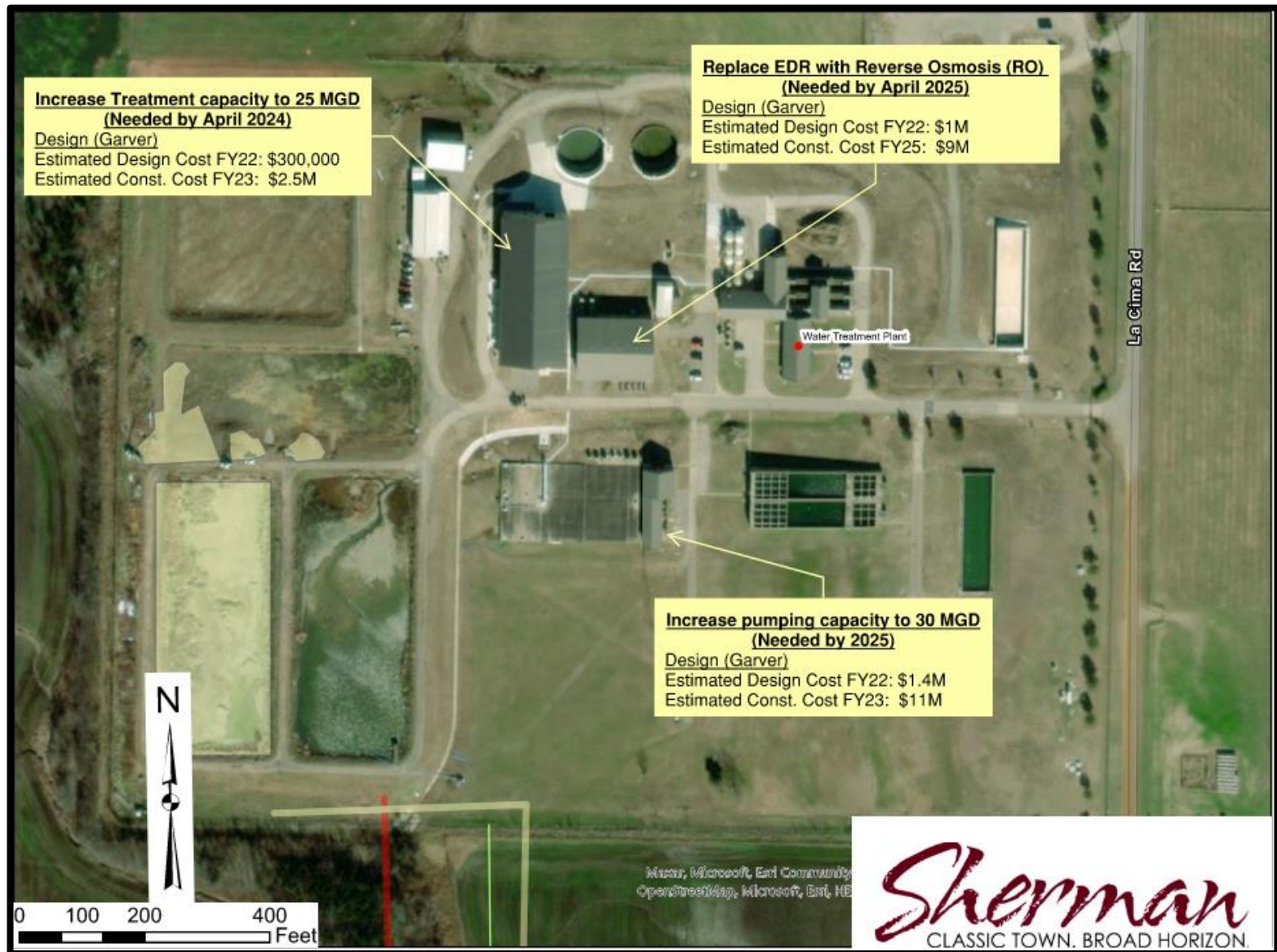
Water Project 1A CMAR



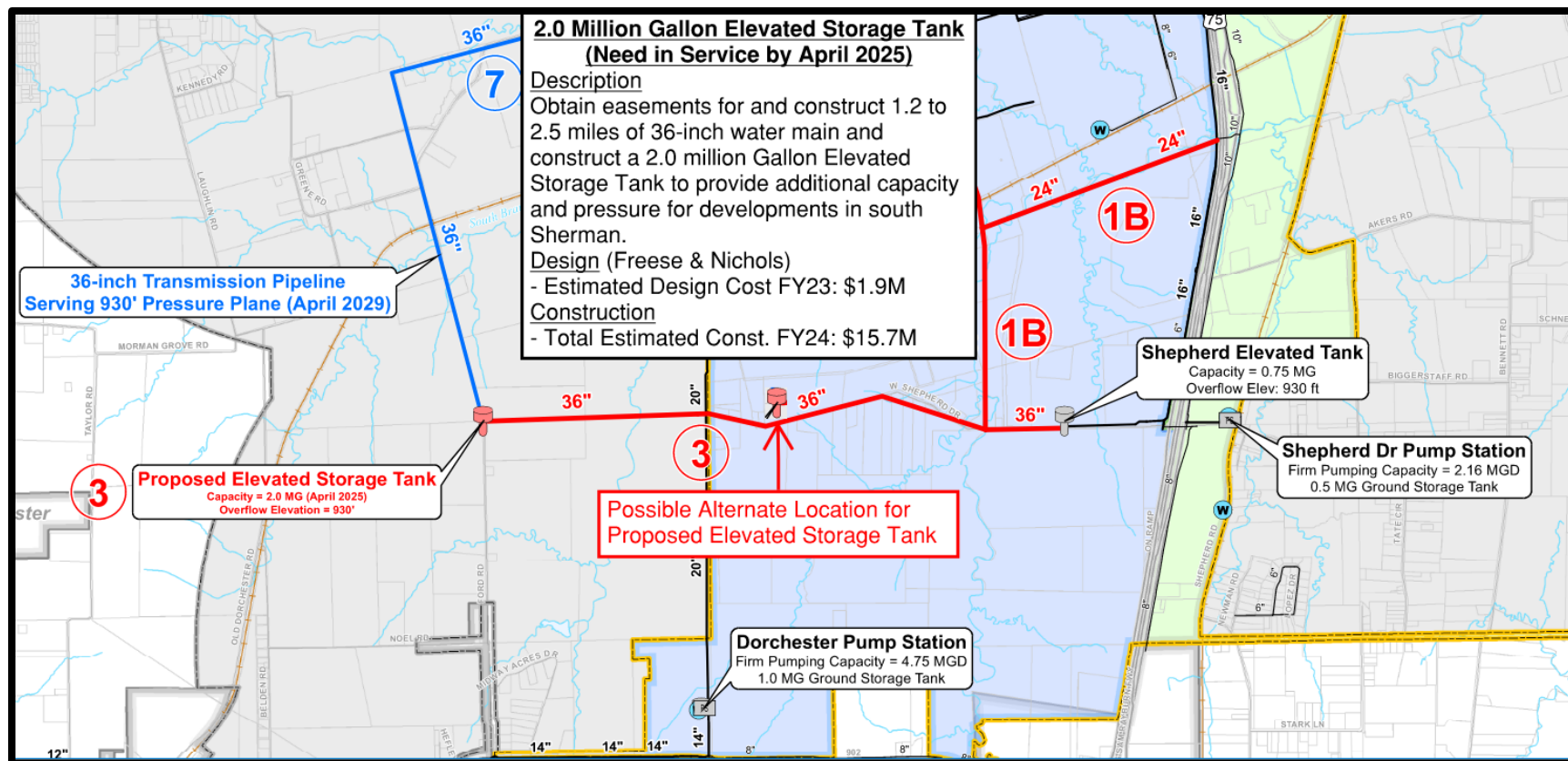
Water Project 1B CMAR



Water Project 2 CMAR



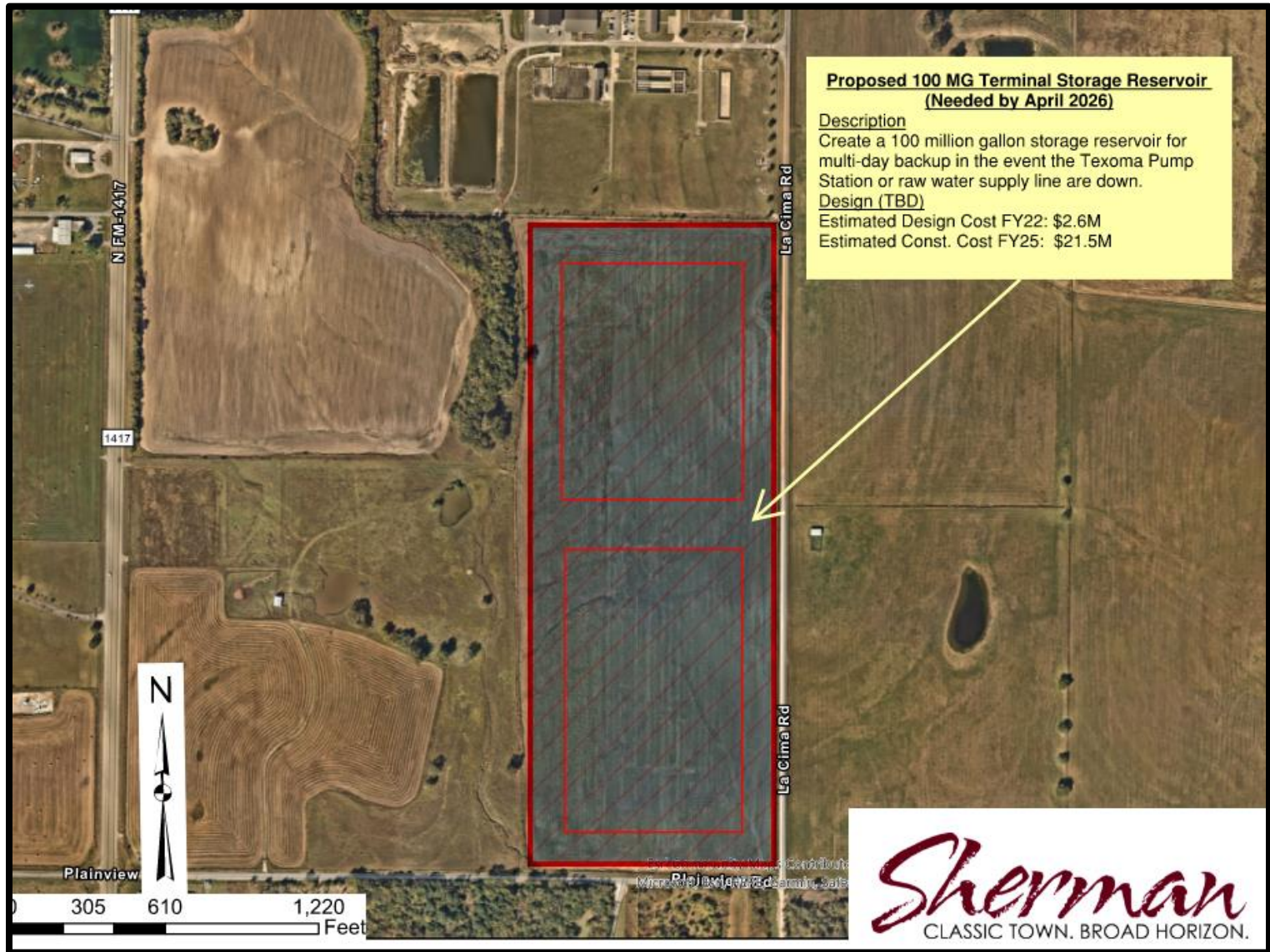
Water Project 3



Water Project 4



Water Project 5 CMAR



WTP – Generators



Description

Construct Backup Generators at both the Water Treatment Plant and the Texoma Pump Station. Construction includes both the generator and automatic transfer switch upgrades.

Design (Parkhill Engineers)

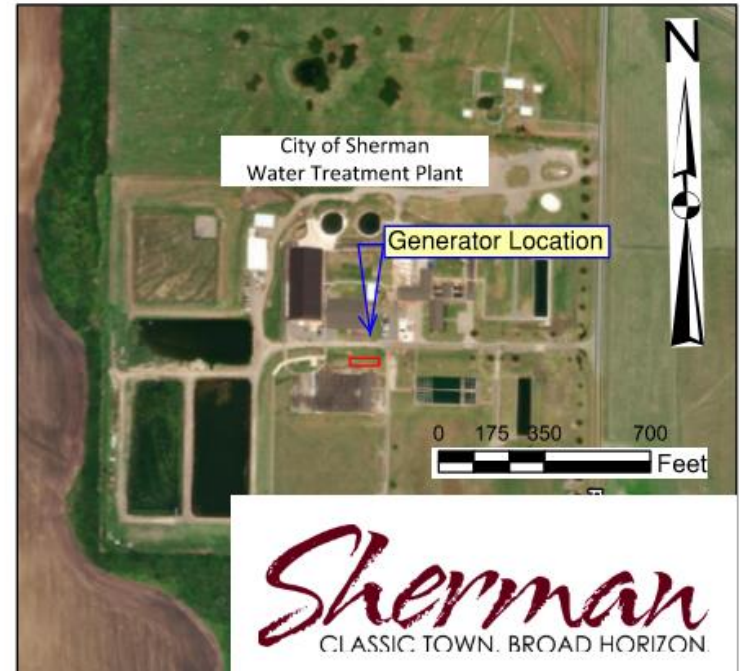
- Cost \$285,000 - 4th Quarter 2021

Construction

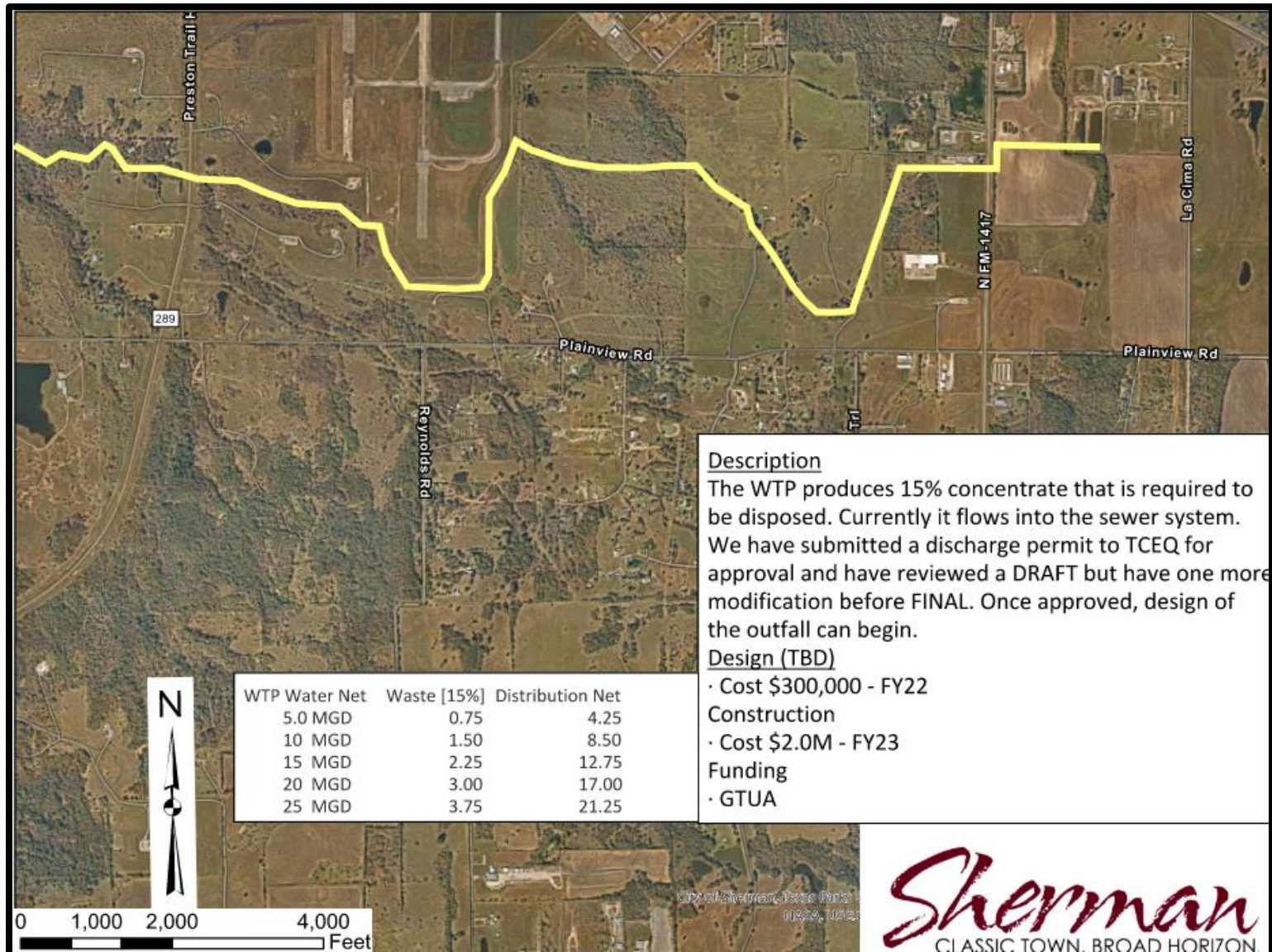
- WTP Cost \$1.6M - 1st Quarter 2022
- Pump Station Cost \$1.9M - 3rd Quarter 2022

Funding

- GTUA / ARPA (Federal Grant)



WTP – Construct Concentrate Disposal Line



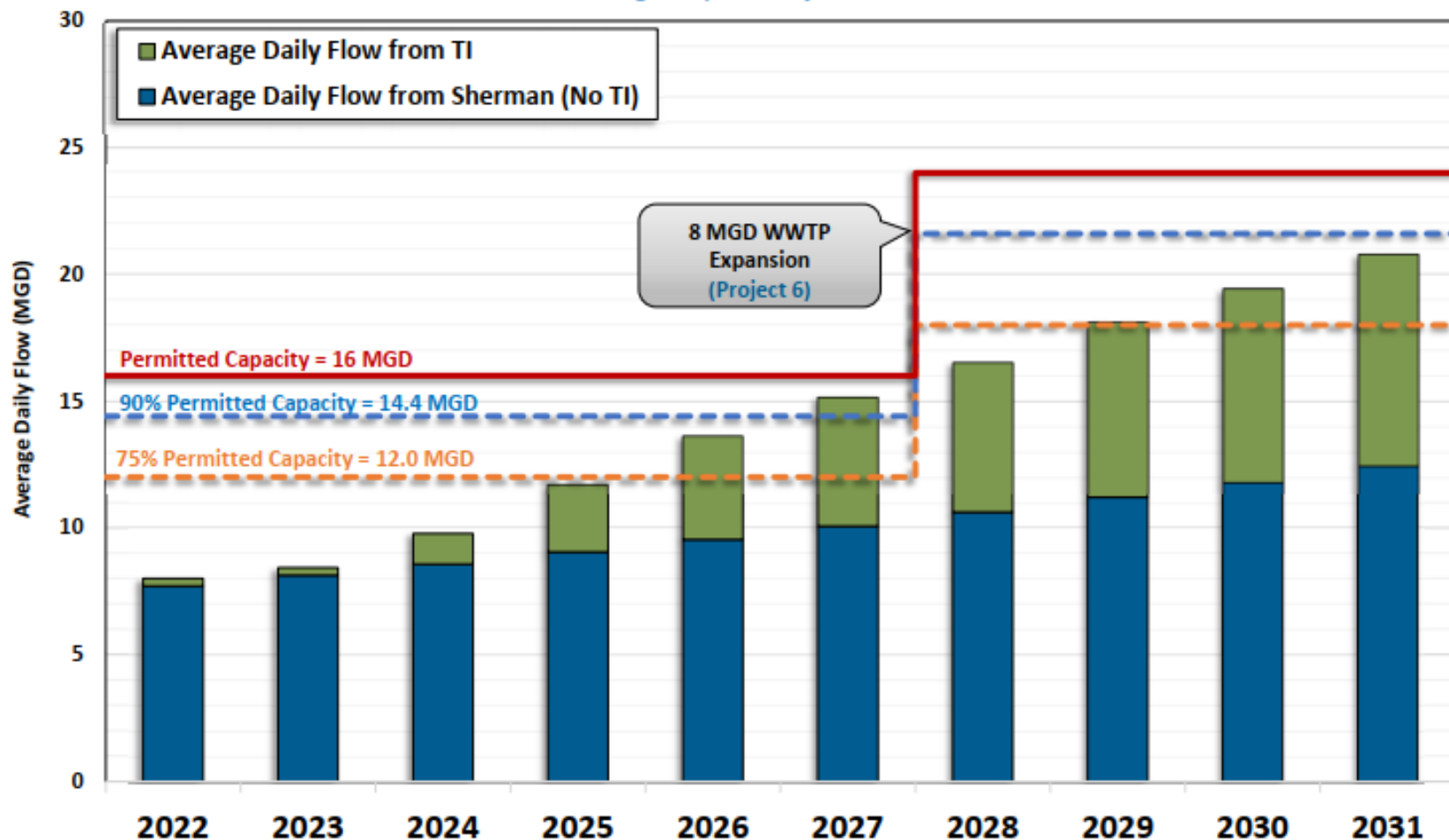
Wastewater Treatment and Distribution

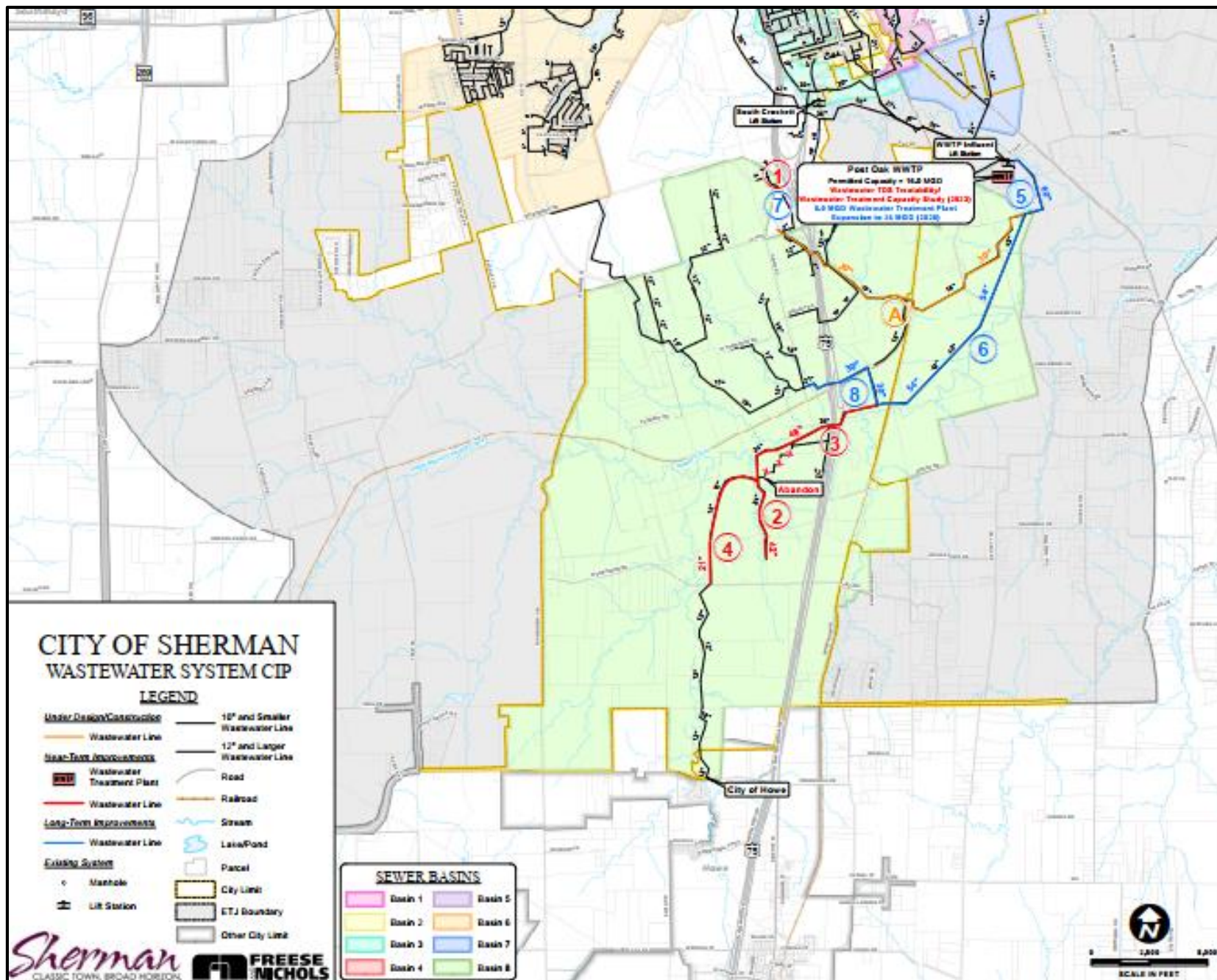
City of Sherman
Wastewater Master Plan
Wastewater Capital Improvements Plan

Phase	Project Number	In-service Date	Project Name	Cost ⁽¹⁾ (In 2022 Dollars)
Near Term	1	2023	Wastewater TDS Treatability/Wastewater Treatment Capacity and Potential Reuse Study	\$500,000
	2	2025	Upsize existing 24-inch sanitary sewer line West of Texas Instruments to 42-inch	\$5,249,300
	3	2025	Upsize existing 36-inch sanitary sewer line South of Choctaw Creek to 48-inch	\$11,051,100
	4	2026	Upsize of existing 15-inch line carrying flow from the upcoming Shepherd Place development to 21-inch	\$4,144,200
	Total Near Term			\$20,944,600
Long Term	5	2027	Upsize existing 42-inch sanitary sewer line along Post Oak Creek to 60-inch	\$13,813,800
	6	2027	Upsize existing 42-inch sanitary sewer line along Choctaw Creek to 54-inch	\$14,208,500
	7	2028	Post Oak WWTP Expansion to 24 MGD	\$119,600,000
	8	2029	Upsize of existing 21-inch line carrying flow from the upcoming Village development to 30-inch	\$4,736,200
	Total Long Term			\$152,358,500
Total Capacity Wastewater CIP Cost				\$173,303,100

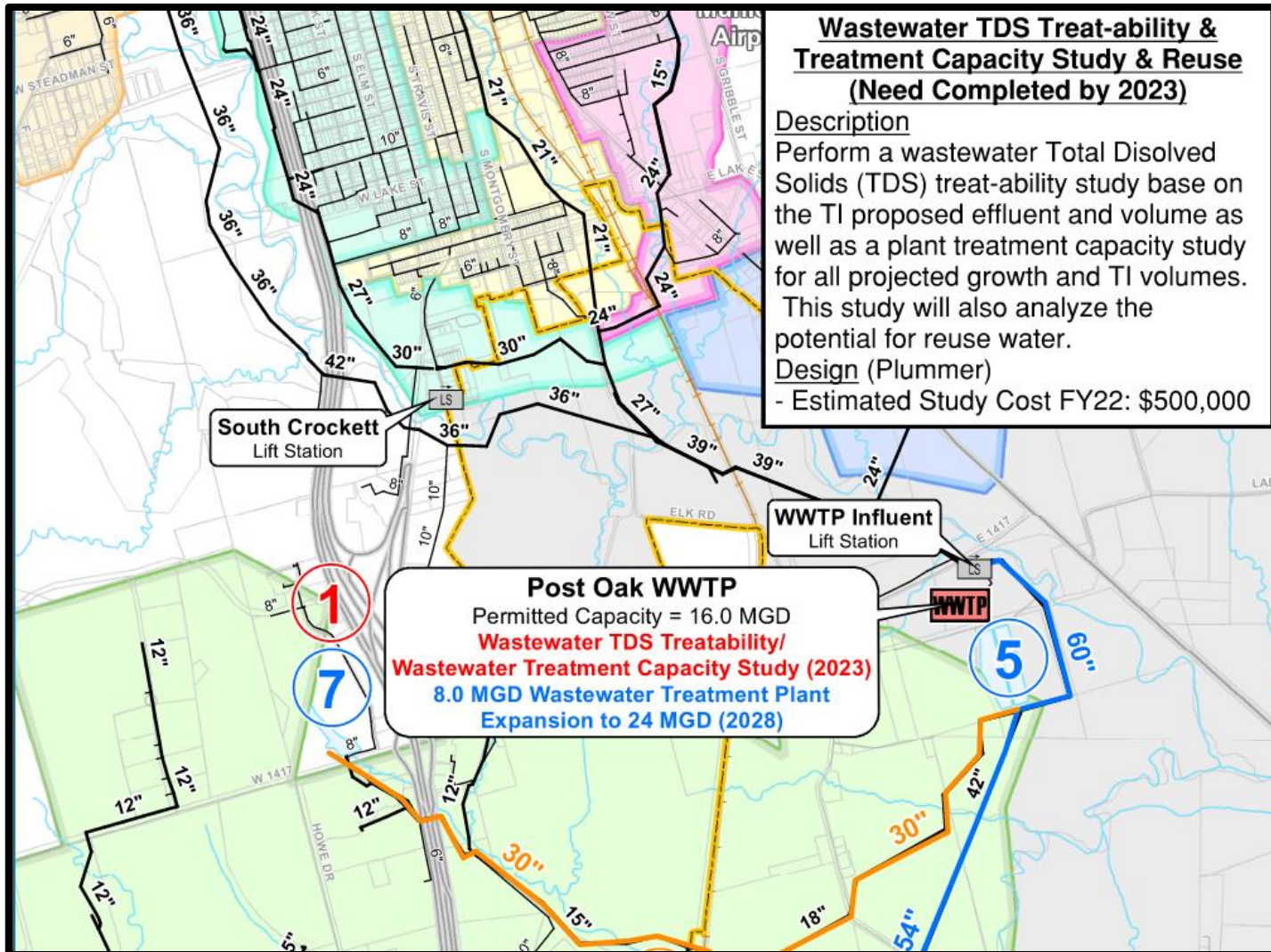


City of Sherman
Post Oak WWTP
Average Daily Flow Projections





WW Project 1



WW Project 2

**Increase Capacity of 24-inch Wastewater Main
(Need in Service by December 2025)**

Description

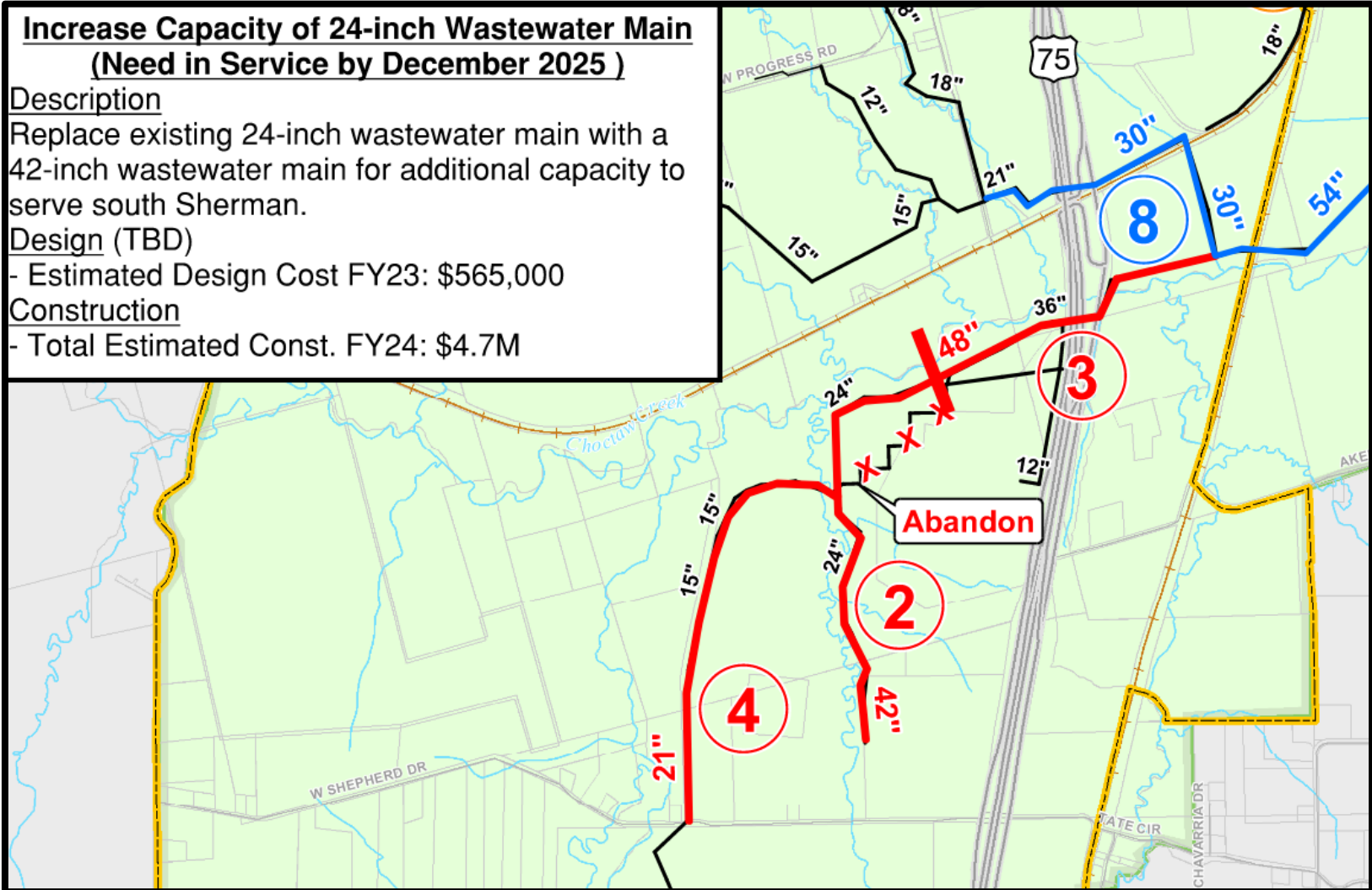
Replace existing 24-inch wastewater main with a 42-inch wastewater main for additional capacity to serve south Sherman.

Design (TBD)

- Estimated Design Cost FY23: \$565,000

Construction

- Total Estimated Const. FY24: \$4.7M



WW Project 3

**Increase Capacity of 36-inch Wastewater Main
(Need in Service by December 2025)**

Description

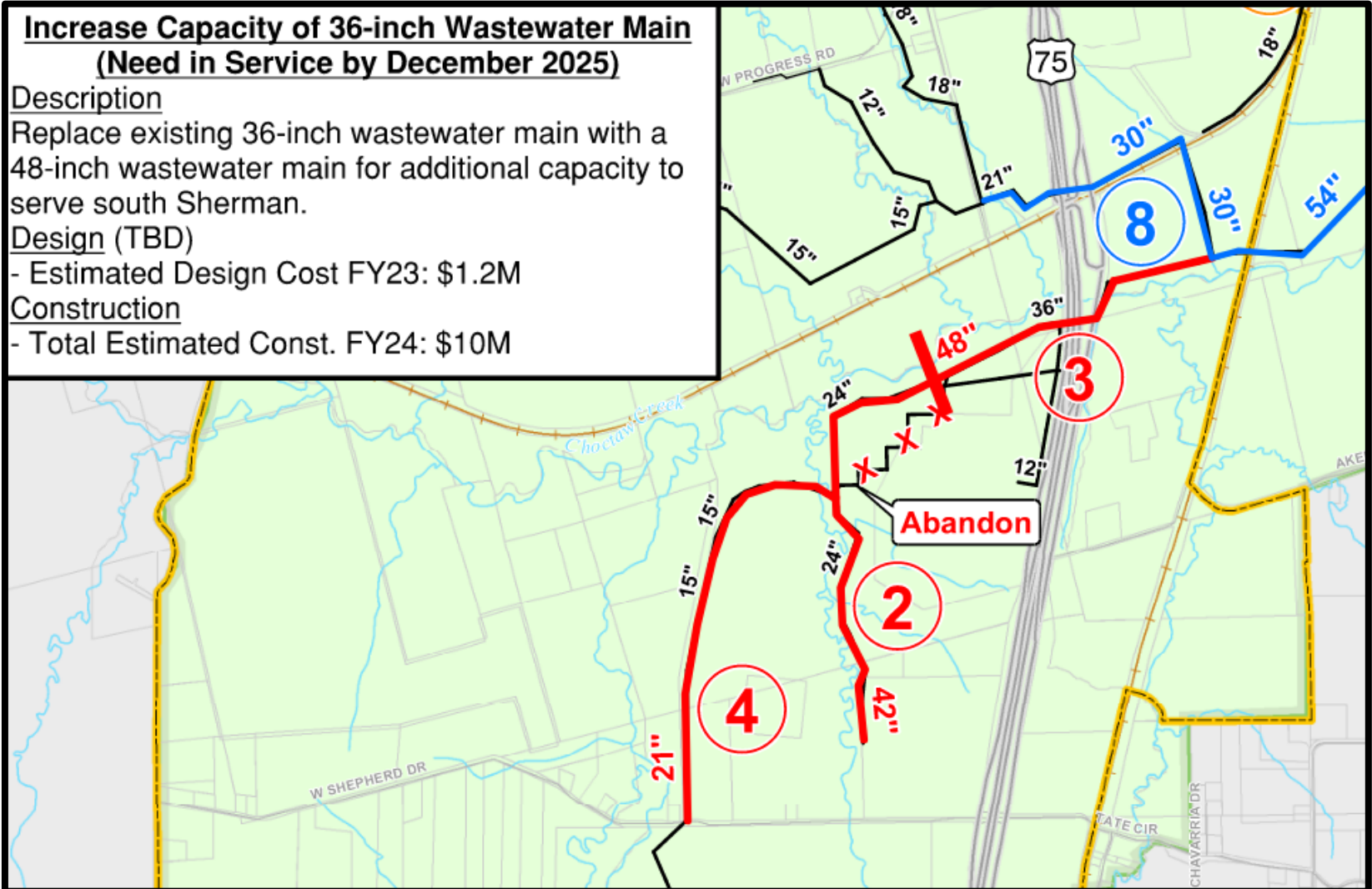
Replace existing 36-inch wastewater main with a 48-inch wastewater main for additional capacity to serve south Sherman.

Design (TBD)

- Estimated Design Cost FY23: \$1.2M

Construction

- Total Estimated Const. FY24: \$10M



WW Project 4

Increase Capacity of 15-inch Wastewater Main (Need in Service by December 2026)

Description

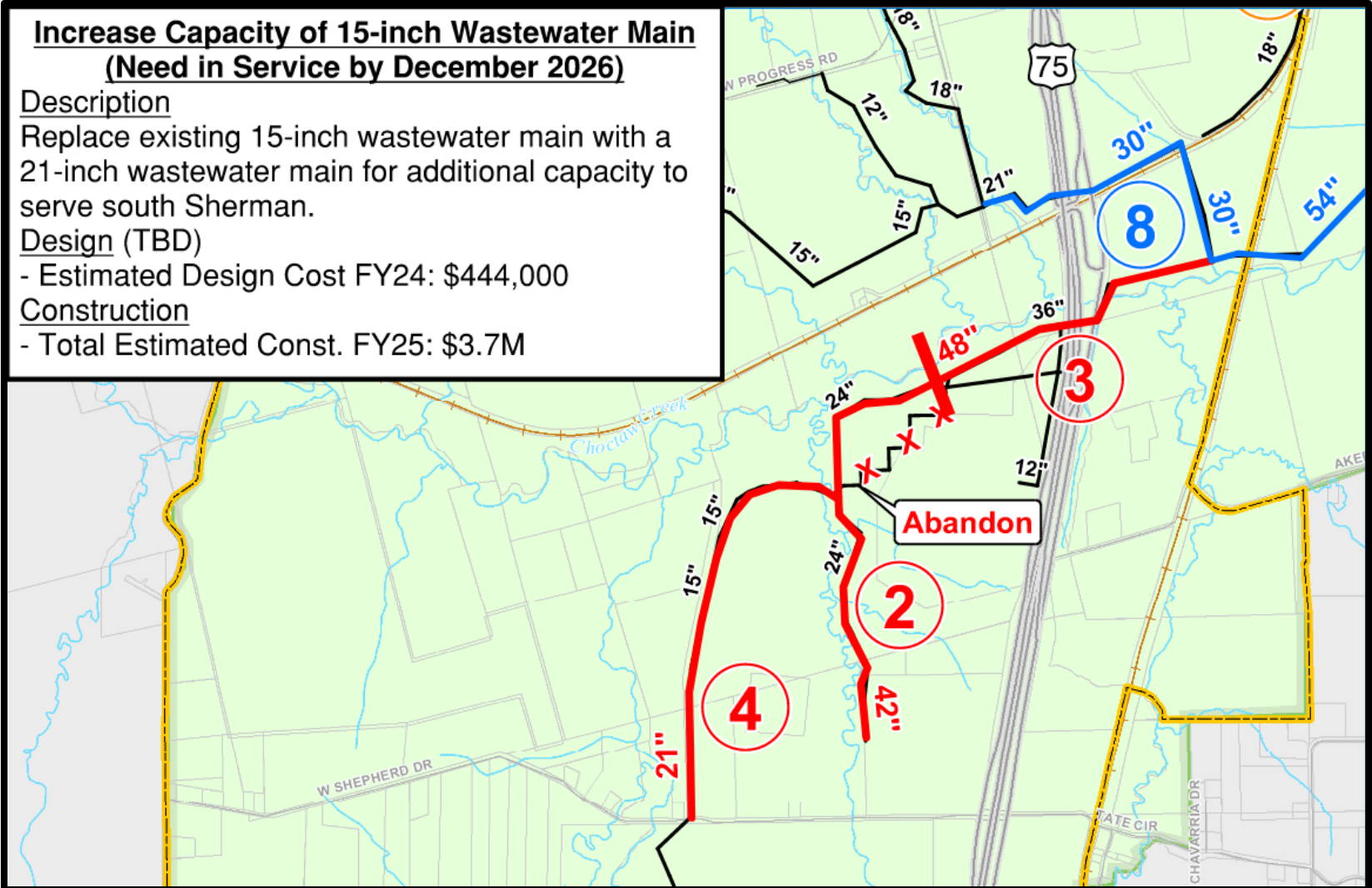
Replace existing 15-inch wastewater main with a 21-inch wastewater main for additional capacity to serve south Sherman.

Design (TBD)

- Estimated Design Cost FY24: \$444,000

Construction

- Total Estimated Const. FY25: \$3.7M

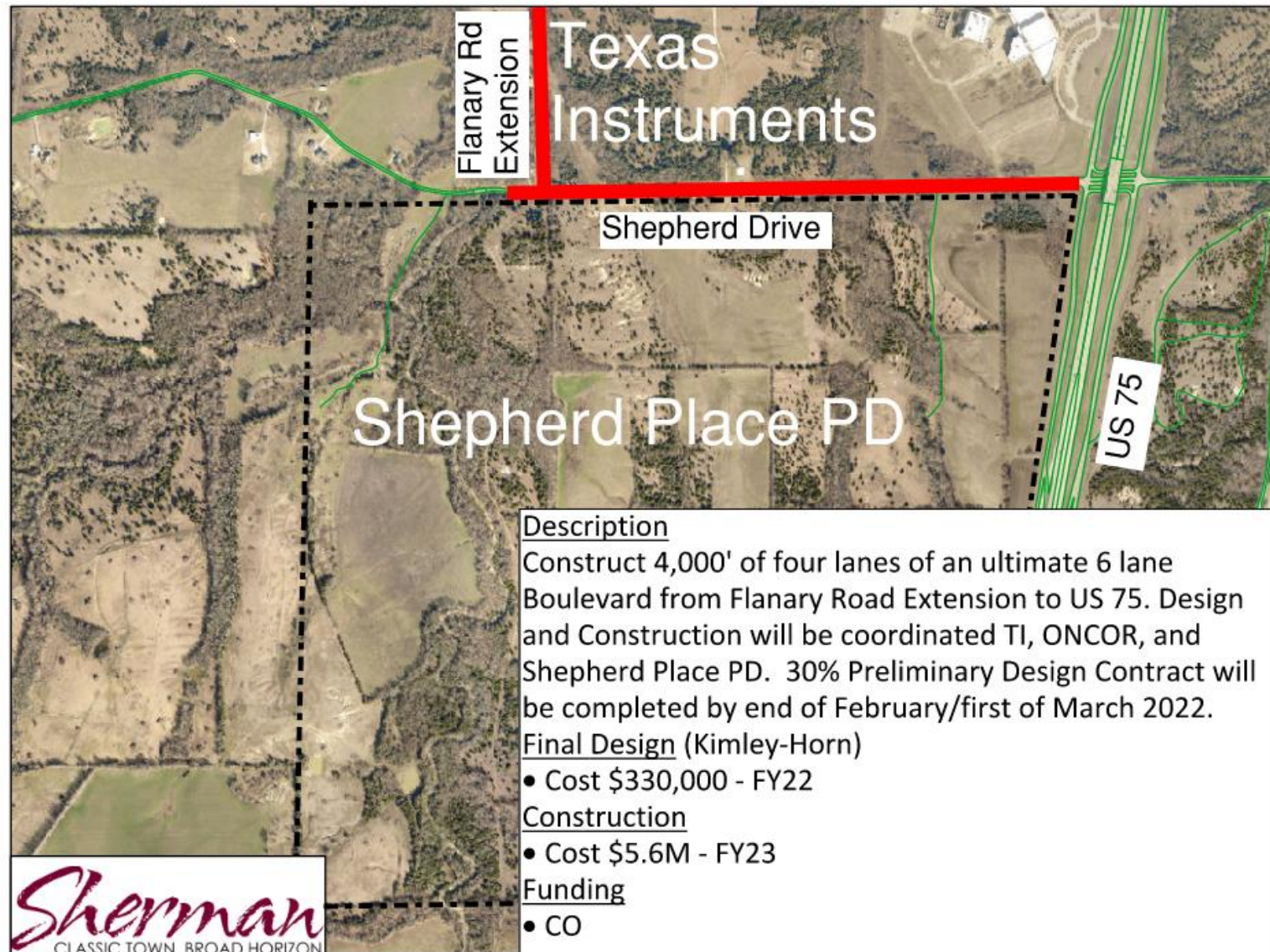


Sherman Streets

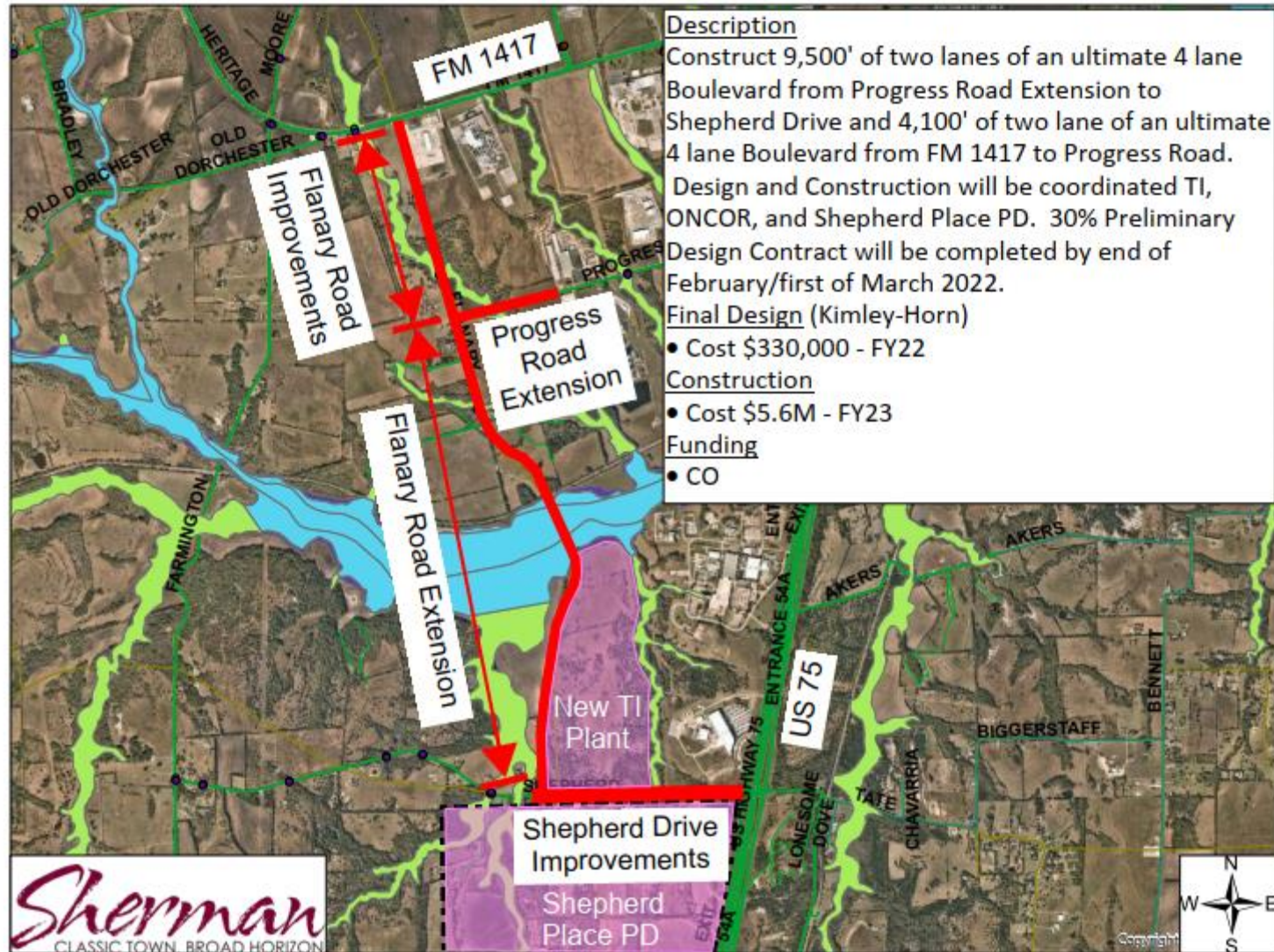
CLASSIC TOWN. BROAD HORIZON.



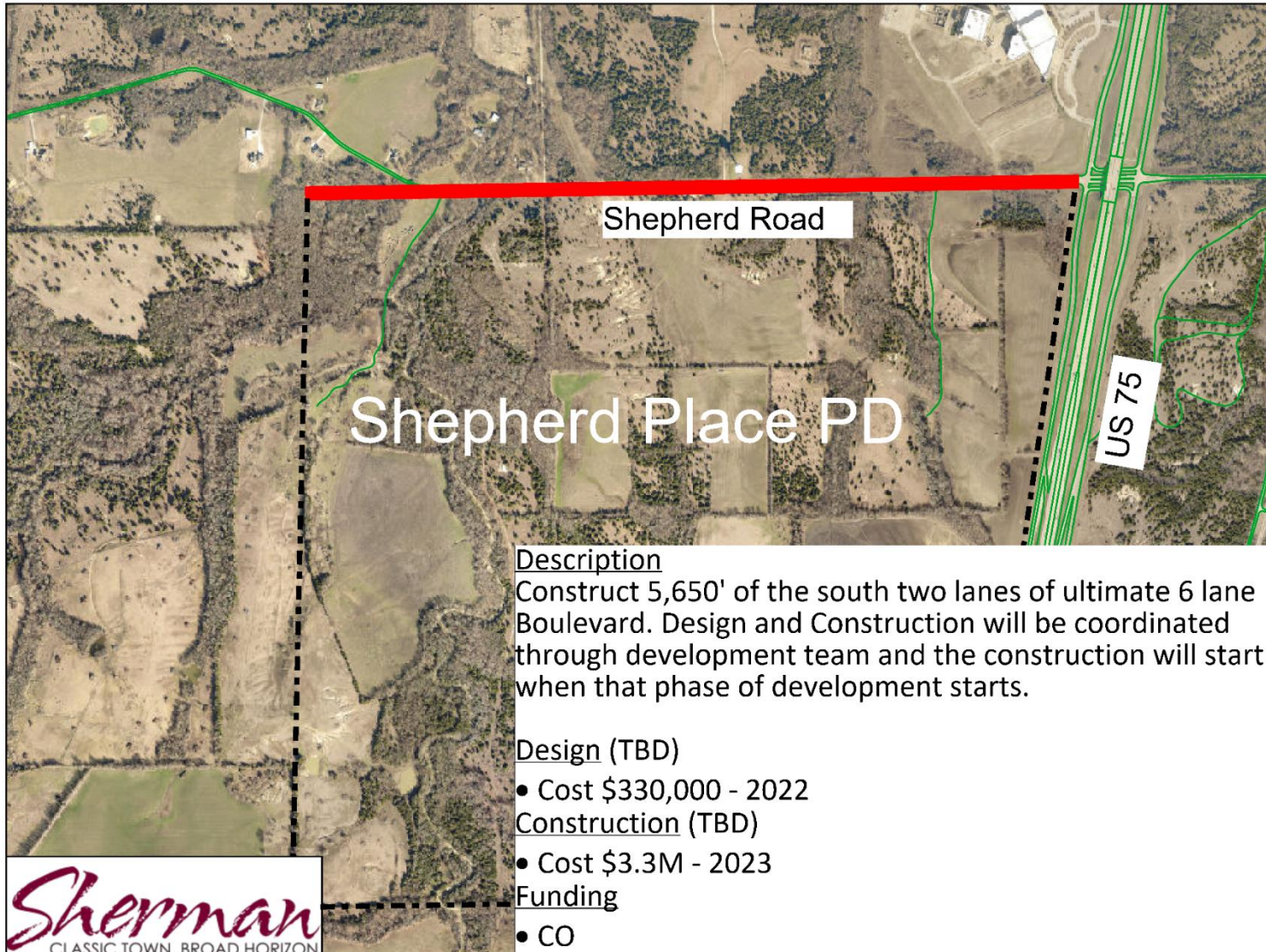
Shepherd Road Expansion



Flanary Road Extension – 1417 to Shepherd



Shepherd Road Expansion



5 Year CIP Critical List



Engineering Qualification Process

- Seven firms selected for evaluation
 - Lockwood, Andrews, and Newnam
 - Freese & Nichols
 - Chang, Patel, & Yerby
 - Parkhill
 - Plummer Associates
 - Garver
 - Pape-Dawson
- Firms selected based on City of Sherman experience, niche expertise, ability to timely perform, CMAR abilities
- Divided engineering services into three groupings
 - WTP - Garver
 - WWTP – Plummer Associates
 - Other – Freese & Nichols

Financial Impacts

Financing Metrics

**Every 1 MGD (Water + Sewer) = \$2.5 million revenue = \$45 million in projects
(w/no incremental operating cost increase)**

Yearly revenue of \$54,000 = \$1 million in projects

1% increase in water rates

- **\$150,000 additional revenue = \$2.7 million more in projects**

Scenario:

**If TI uses 7 MGD (Ph. I + II) = \$18 million revenue = \$315 million in projects
(w/no incremental operating cost increase)**

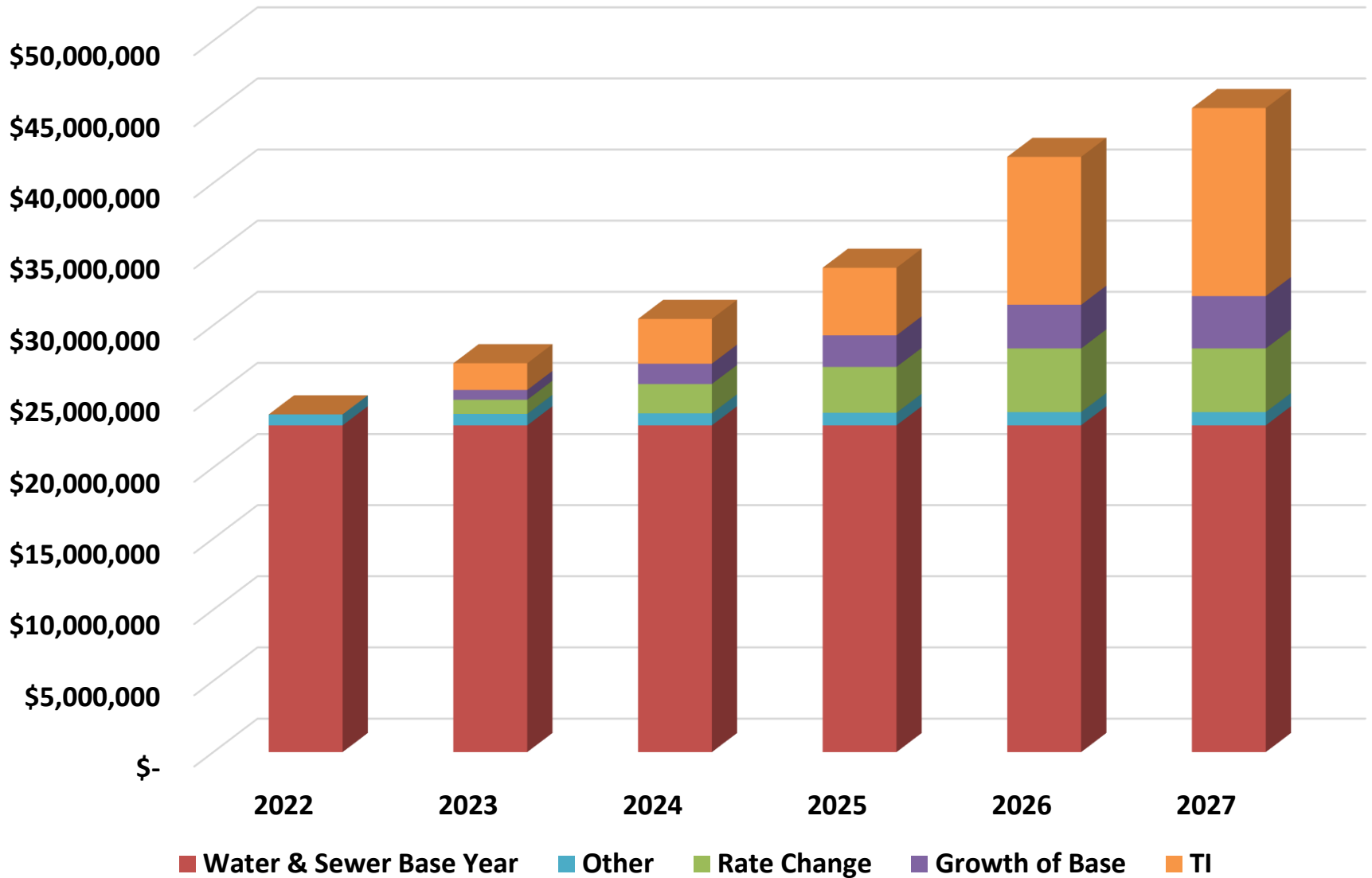
Utility Fund Projections

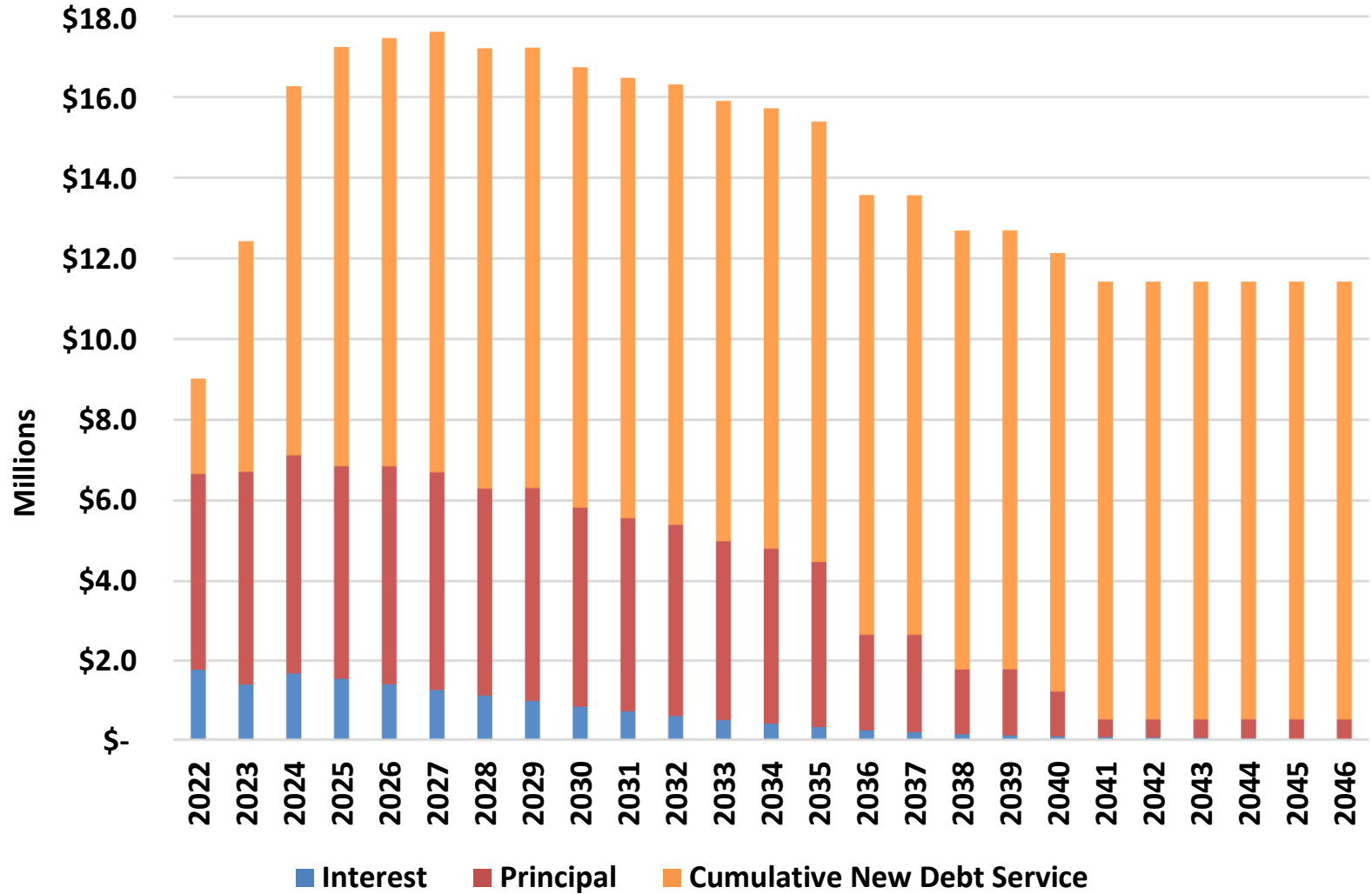
Volume Water Rate	\$3.27	\$3.37	\$3.47	\$3.57	\$3.68	\$3.79	\$3.79
Volume Sewer Rate	\$3.48	\$3.69	\$3.95	\$4.22	\$4.52	\$4.84	\$4.84

UTILITY FUND	Actual FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Beginning Fund Balance	\$ 4,323,306	\$ 4,157,410	\$ 4,481,552	\$ 2,942,781	\$ 501,693	\$ (1,622,214)	\$ 3,687,102
Water Sales	13,158,776	14,526,901	15,452,000	16,432,000	17,471,000	18,573,000	18,962,000
Panda	881,013	887,099	887,000	887,000	887,000	887,000	887,000
TI - Water	-	-	1,014,000	1,670,000	2,473,000	5,316,000	6,756,000
Sewer Sales	7,857,839	8,315,000	9,106,000	9,975,000	10,018,000	11,978,000	12,199,000
TI - Sewer	-	-	865,000	1,480,000	2,277,000	5,084,000	6,462,000
Impact Fees-Water	-	650,000	600,000	1,200,000	660,000	500,000	-
SEDCO/GTUA	401,350	298,296	298,297	298,298	298,299	298,300	298,300
Interest	8,597	10,000	10,000	10,000	10,000	10,000	10,000
Other	1,019,370	1,019,000	1,019,000	1,019,000	1,019,000	1,019,000	1,019,000
Transfers in	438,000	183,000	206,000	210,000	214,000	218,000	222,000
Total Revenues	23,764,945	25,889,296	29,457,297	33,181,298	35,327,299	43,883,300	46,815,300
Personnel	6,433,461	6,626,000	6,825,000	7,030,000	7,241,000	7,458,000	7,682,000
Other	8,269,119	7,550,000	7,930,000	8,330,000	8,750,000	9,190,000	9,370,000
Debt Service	6,486,471	6,982,494	6,951,823	7,326,170	7,058,633	7,055,917	6,909,305
Debt Service-New GTUA	-	1,180,660	5,714,245	9,150,216	10,388,573	10,613,067	10,916,437
Capital Outlay	441,790	800,000	800,000	800,000	800,000	800,000	800,000
Transfers	2,300,000	2,426,000	2,775,000	2,986,000	3,213,000	3,457,000	3,720,000
Total Expenditures	23,930,841	25,565,154	30,996,068	35,622,386	37,451,206	38,573,984	39,397,742
Excess (Deficit)	(165,896)	324,142	(1,538,771)	(2,441,088)	(2,123,907)	5,309,316	7,417,558
Ending Fund Balance	\$ 4,157,410	\$ 4,481,552	\$ 2,942,781	\$ 501,693	\$ (1,622,214)	\$ 3,687,102	\$ 11,104,659
Days in Fund Balance	63	64	35	5	(16)	35	103

\$6.1M

Cumulative Growth of Water and Sewer Revenue





Funding Alternatives through GTUA

	Open Market	Drinking Water State Revolving Fund (DWSRF)
Interest rate		✓
Issuance costs	✓	
Procurement costs	✓	
Lead time	✓	
Funding certainty	✓	

MEMC 1996 Infrastructure Agreement

Terms and structure

- **MEMC constructs significant amount of improvements (\$6.7 million)**
- **Two-thirds (2/3) of the amounts paid by MEMC were repaid by City through a 40% reduction in water and sewer billings, with remaining one-third (1/3) a capital contribution to City**
- **10-year term**
- **Any remaining due to MEMC after ten years is forgiven debt**

Texas Open Market Funding thru GTUA

TI Funding Agreement? (see MEMC model)

SEDCO infrastructure participation

City Reserves/TI Increment

What Next?

Engineering Firm(s) Selection and Project Management
Approach (incl. possible 3rd party projects manager)

Engineering Design – Schematic and Full Design

ROW/Easement Acquisition

Construction of Prioritized Projects (W and WW Master Plan)

Planning Updates

- Utility Rate Study Update – by summer 2022
- W/WW Master Plan Update - 2022
- Impact Fee Update – Fall 2022

After That...

Shift focus to TI Phase III & IV impacts:

- Wastewater plant upgrades vs separate industrial plant?
- Water availability discussion
 - Recycle/reuse possibilities
 - NTMWD raw water vs. effluent swap?
- Second 36" water line from WTP?
- TCEQ permitting considerations

Take-Aways

Significant investment in Utility (and road) infrastructure is going to be needed

- WTP upgrades and distribution system (begin immediately) - \$125M+
- Wastewater upgrades (begin 2025?) - \$100M+
- Roads - \$15M+/-

Work has already started by City & TI

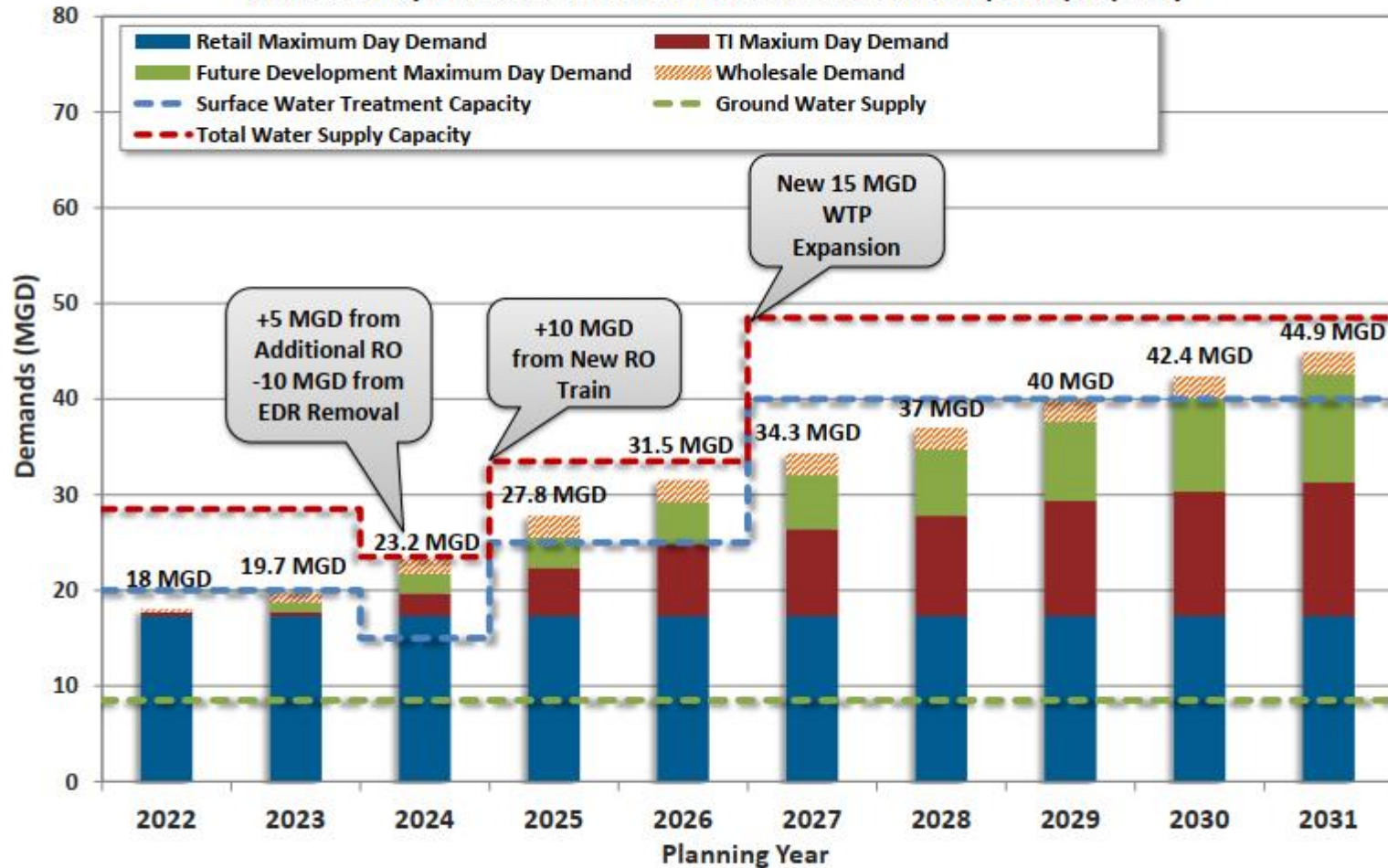
Two major pushes on timing – water first, then sewer

- FY22-25 City preparation for Phases I & II effects on water
- FY24-26 City preparation for Phases III & IV effects on water & sewer

Financial challenges in Utility Fund until TI is in production (FY25), afterwards TI increment is substantially sufficient to cover the CIP costs; staff will bring back a plan

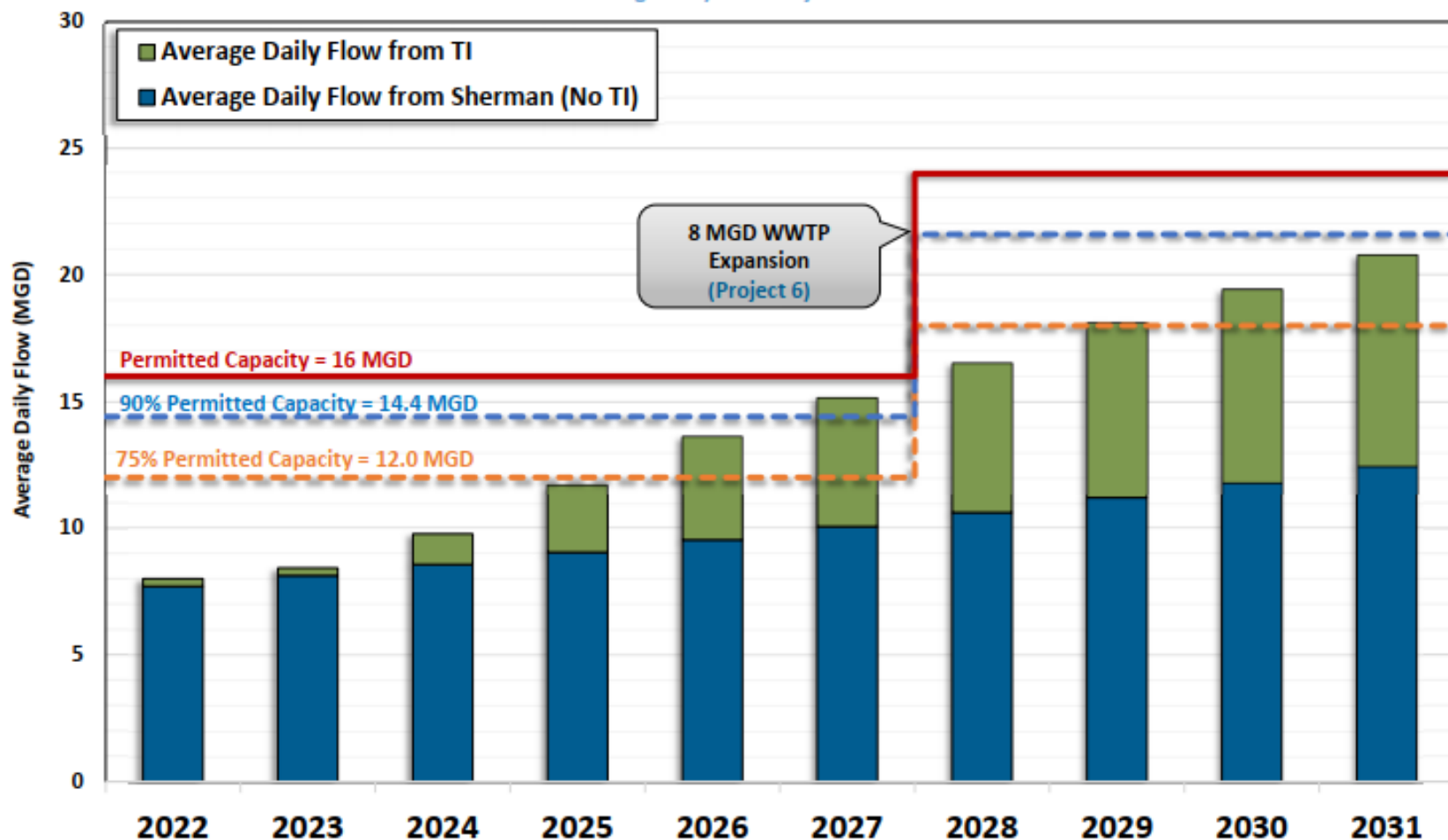
City of Sherman Water Master Plan

Maximum Day Demand and Surface Water Treatment Plant (SWTP) Capacity





City of Sherman
Post Oak WWTP
Average Daily Flow Projections





City Council Regular Meeting

C. 1.

Meeting Date: 02/21/2022

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

- E. 3** *** RESOLUTION NO. 6850**
Authorizing the Purchase of Two New Dodge Ram 2500 Pick Up Trucks from Silsbee Ford Through TIPS for the Parks Maintenance Department
- E. 4.** *** RESOLUTION NO. 6851**
Repealing and Replacing Resolution No. 6777; Establishing Salary Structures and Incentive/Certification Pay Schedules for Firefighters and Police Officers; Establishing Special Longevity Pay Schedules for Newly Hired Firefighters and Police Officers; Providing for an Effective Date
- F. 1.** ***REQUEST TO ADVERTISE**
esign & Construction of Basketball, Tennis, and Pickleball Court Improvements at Fairview Park
- F. 2.** *** REQUEST TO ADVERTISE**
Water Treatment Plant Emergency Generator
- F. 3.** ***REQUEST TO ADVERTISE**
Sycamore to Evergreen Sanitary Sewer Replacement Project
-



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 1.

Meeting Date: 02/21/2022

Prepared By: Nathan Whiddon, Wastewater Superintendent

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6459

Amending the Code of Ordinances, City of Sherman, Texas, at Chapter 13 (Utilities), Article 13.07 (Water, Sewers And Sewage Disposal), Division 3 (Sewers and Sewage Disposal) and Division 6 (Fats, Oil, Grease and Sediment Control); Modifying Regulations Governing the City's Fats, Oil, Grease and Sediment Control Program; Providing for Inclusion in the Code of Ordinances; Providing a Repealing Clause, a Severability Clause and A Penalty Clause

Issue:

Amending the Code of Ordinances at Article 13.07 (Water, Sewers and Sewage Disposal) at Division 3 (Sewers and Sewage Disposal) and Division 6 (Fats, Oil, Grease and Sediment Control)

Background:

These updates are needed to streamline wastewater requirements for food service establishments and other non-domestic users included in the City's Fats, Oils and Grease Control Program developed back in November 2008. Many of these changes will help food service establishments reduce up-front capital investments and long-term maintenance costs for cleaning out treatment devices while still maintaining sufficient protections for the City's wastewater collection systems. In addition to minor edits, these changes include:

- Sec. 13.07.762 - Updated/new definitions
 - Commissaries and Mobile Food Units - updates needed to mirror Grayson County Health Dept. language and other ordinance requirements.
 - Insignificant Food Service Establishments – a new definition of a small food service establishments to clarify what food preparation practices and types of facilities are exempt from treatment device requirements.
 - Food Service Establishments – Clarification of those food related activities that require the user to install and maintain treatment devices.
- Secs. 13.07.790 and 13.07.829 - Clarification of variance procedures for treatment devices and pump out frequencies for existing and new facilities.
- Sec. 13.07.791 - Updated requirements that allow new users that occupy existing facilities an option to install alternate grease removal devices in lieu of in-ground passive grease interceptors – ideal for downtown areas or smaller facilities that have limited space to install traditional devices and do not generate a large amount of grease wastes.
- Sec. 13.07.800 (b)(2) - New requirements to allow the city to implement additional measures when

existing facilities make major changes to their facility.

- Sec. 13.07.803 and 13.07.831 - Reduction in requirements and alternatives for those existing small facilities that have installed “under the sink” grease traps.
- Sec. 13.07.804 - Updates in minimum sizing requirements for in-ground passive grease interceptors to help reduce the size of these devices for new facilities.

Origination:

Nathan Whiddon, Wastewater Superintendent

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

It is recommended that the Council adopt the proposed ordinance.

Alternatives:

The Council could opt not to approve the proposed ordinance.

Attachments

Ordinance No. 6459

ORDINANCE NO. 6459

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES, CITY OF SHERMAN, TEXAS, AT CHAPTER 13 (UTILITIES), ARTICLE 13.07 (WATER, SEWERS AND SEWAGE DISPOSAL), DIVISION 3 (SEWERS AND SEWAGE DISPOSAL) AND DIVISION 6 (FATS, OIL, GREASE AND SEDIMENT CONTROL); MODIFYING REGULATIONS GOVERNING THE CITY’S FATS, OIL, GREASE AND SEDIMENT CONTROL PROGRAM; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES; PROVIDING A REPEALING CLAUSE, A SEVERABILITY CLAUSE AND A PENALTY CLAUSE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas (“City Council”) has found that Chapter 13 of the Code of Ordinances, City of Sherman, Texas, should be amended as provided herein to modify regulations governing the City’s Fats, Oil, Grease and Sediment Control Program; and

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

WHEREAS, the City Council finds that it will be advantageous, beneficial and in the best interest of the citizens of Sherman to amend the Code of Ordinances as set forth below.

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

SECTION 1. That Chapter 13, Article 13.07, Division 3 of the Code of Ordinances of the City of Sherman, Texas is hereby amended as follows¹:

“ARTICLE 13.07 WATER, SEWERS AND SEWAGE DISPOSAL

...

Division 3. Sewers and Sewage Disposal

Part I. In General

Sec. 13.07.139 Administration

¹ Deletions are evidenced by ~~striketrough~~; additions are *italicized*.

Except as otherwise provided herein, the ~~director of utilities and engineering~~ (the “~~director~~”) *City Manager* shall administer, implement and enforce the provisions of this division. Any powers granted to or duties imposed upon the ~~director~~ *City Manager* may be delegated to other City personnel.

Sec. 13.07.140 Definitions

Unless the context specifically indicates otherwise, the following terms and phrases, as used in this division, shall have the meanings hereinafter designated:

...

- (4) *City Manager*. *The person designated by the City to supervise the POTW and be responsible for water pollution control for the City, and who is charged with certain duties and responsibilities by this division. This term also means a duly authorized representative of the City Manager.*

...

- (5) ~~*Director of utilities and engineering (director)*~~. ~~The person designated by the city to supervise the POTW and be responsible for water pollution control for the city, and who is charged with certain duties and responsibilities by this division, or his duly authorized representative.~~

...

Sec. 13.07.141 Emergency suspension of water supply and/or discharge

- (a) Whenever the ~~director~~ *City Manager* finds that an emergency exists which requires immediate action, he may, without notice or hearing, issue an order reciting the existence of such an emergency and requiring that such action be taken as he may deem necessary to meet the emergency, including suspending a user's city provided water supply and/or wastewater discharge when such suspension is necessary in the opinion of the ~~director~~ *City Manager* to stop an actual or threatened discharge which:

- (1) Presents or may present imminent and substantial danger to the environment or to the health or welfare of persons;
- (2) Presents or may present imminent and substantial danger to the POTW; or
- (3) Causes or will cause pass through or interference of the POTW.

- (b) If time permits, the ~~director~~ *City Manager* should notify the user prior to the suspension.

...

- (d) The user shall not recommence its water service/discharge until the ~~director~~ *City Manager* so authorizes and:
 - (1) The user presents proof satisfactory to the ~~director~~ *City Manager* that the noncompliant discharge has ceased;
 - (2) The user presents proof satisfactory to the ~~director~~ *City Manager* that the conditions creating the threat of imminent and substantial danger have been eliminated;
 - (3) The user pays the City for all costs incurred by the City in responding to the discharge or threatened discharge; and
 - (4) The user pays the City for all costs the City will incur in reinstating services.
- (e) Notwithstanding any other provisions of this article, such order shall be effective immediately. Any person to whom such an order is directed shall comply therewith immediately, but upon petition to the ~~director~~ *City Manager* shall be afforded a hearing as soon as possible, as provided by [Section 13.07.877](#) of this article.

...

Sec. 13.07.142 Non-emergency termination of water supply and/or discharge

- (a) A user who violates the following conditions is subject to the termination of its City-provided water supply and/or its discharge:
 - (1) Failure to accurately report the wastewater constituents and characteristics of its discharge;
 - (2) Failure to provide reasonable access to the user's premises for the purpose of inspection, monitoring, or sampling; or
 - (3) Failure to pay ~~FOG control program fees~~, surcharges or other applicable fees.
- ...
- (c) The user shall not recommence its discharge until the ~~director~~ *City Manager* so authorizes and:
 - (1) The user presents proof satisfactory to the ~~director~~ *City Manager* that all noncompliance has been corrected; and
 - (2) The user pays the City for all costs the City will incur in reinstating services.

- (d) Exercise of this option by the ~~director~~ *City Manager* shall not be a prerequisite for taking any other action against the user.

Sec. 13.07.143 Appeal from decision, edict or order of ~~director~~ *City Manager*; arbitration; appeal

~~Any industry objecting to a decision, edict or order of the director of utilities and engineering City Manager shall have the right to have such action reviewed by the City Council, whose decision shall be final unless his decision is protested or objected to by a qualified industrial waste engineer in writing, when the matter shall be submitted to the arbitration of qualified experts in the field, with the City selecting one (1) and the industry one (1) who shall render a decision as soon as practicable in writing which shall be final unless appealed to the council. If the two (2) selected cannot agree then they shall select a third and the majority of the three (3) shall then render a decision in writing as soon as practicable which shall be final unless appealed to the council. In the event of appeal, the industry appealing shall give satisfactory security for such damages as shall be reasonable and proper in such amount as may be fixed by the City Manager. The decision of the council shall be final. The expense incurred in connection with the appeal to the City Manager, board of experts, and council shall be paid by the industrial consumer making the appeal.~~

Sec. 13.07.144 Right of entry for enforcement; investigative authority, restrictions

~~The director of utilities and engineering City Manager and other duly authorized employees of the City bearing proper credentials and identification are entitled to enter any public or private property at any reasonable time for the purpose of enforcing this division. The City shall inspect the facilities of any user to ascertain whether the purpose of this division is being met and all requirements are being complied with and shall enter all private properties through which the City holds a negotiated easement for the purpose of:~~

- (1) Maintenance of any portion of the sewer system lying within the easement; and
- (2) Conducting any other authorized activity. All activities shall be conducted in full accordance with terms of the negotiated easement pertaining to the private property involved.

Sec. 13.07.145 Use of public sanitary sewer system required

...

- (b) Unless authorized by the ~~Texas state~~ Commission on Environmental Quality, no person may deposit or discharge any waste included in subsection (a)(1), (2) or (3) above of this section on public or private property into or adjacent to any:
- (1) Natural outlet;
 - (2) Watercourse;

- (3) Storm sewer;
- (4) Other area within the jurisdictional waters of the City.

...

Part II. General Industrial Requirements

...

Sec. 13.07.179 Control chambers

- (a) Any person discharging or desiring to discharge an industrial or non-domestic waste mixture into the sewers or POTW of the City, or any sewer connected therewith, shall provide and maintain in a suitable accessible position on ~~his~~ *the* premises, or such premises occupied by ~~him~~ *the person*, an inspection chamber, or manhole, near the outlet of each sewer, drain, pipe, channel, or connection which communicates with any sewer or POTW of the City, or any sewer connected therewith.
- (b) Plans for the construction of control manholes or inspection chamber, including such flow measuring devices as may be hereinafter required, shall be approved by the ~~director~~ *City Manager* prior to the beginning of construction.

Sec. 13.07.180 Volume of waste

- (a) When the public water supply is used exclusively, the water consumption during the previous month, as determined from the meter records of the water department, shall be the valid basis for computing sewage flow, unless actual sewage flow is measured by a recording meter of a type to be approved by the ~~director of utilities and engineering~~ *City Manager*. The owner shall maintain such device in proper condition to accurately measure such flow. Upon failure to do so, the water consumption shall be the basis for charges.
- (b) In cases where all or part of the water consumed is obtained from private supplies, wells, etc., such persons shall provide and maintain at all times suitable metering and recording devices, approved by the ~~director of water utilities~~ *City Manager*, in connection with each or all sources of private water unless the control manhole provided for in [Section 13.07.179](#) shall be equipped with an approved volume measuring and recording device. The volume of private water consumed during the previous month, together with the consumption of public water as determined from the records of the water department, shall be the basis for computing the sewage volume or the owner may install at his own expense an approved metering device to accurately measure flow as before mentioned.
- (c) When water is contained in a product or is evaporated or is discharged as unpolluted waste in an uncontaminated condition to surface drainage, an application may be made for a reduction in the volume of waste discharged to the public sewer, provided supporting data satisfactory to the ~~director of water utilities~~ *City Manager* is furnished.

...

Sec. 13.07.181 Protection of the wastewater collection system

- (a) Protection from damage and tampering.

...

- (2) Unless approved by the ~~director~~ *City Manager*, no person shall cover any manhole, sewer cleanout, or other openings in the wastewater collection system with earth, paving, or otherwise render it inaccessible.

...

...

- (c) Storage of chemicals, materials, substances or wastes.

...

- (3) The ~~director~~ *City Manager* may require a user to provide reasonable safeguards to prevent the discharge or leakage of stored chemicals, materials, substances or wastes into the wastewater collection system. These safeguards include, but are not limited to:
- (A) Providing physical containment that is adequate to contain at least one hundred twenty percent (120%) of the maximum volume of the stored chemicals, materials, substances or wastes;
 - (B) Labeling, moving or relocating containers of stored chemicals, materials, substances or wastes;
 - (C) Providing ~~material~~ safety data sheets (MSDS) or other necessary documentation to identify constituents in the chemicals, materials, substances or wastes stored;
 - (D) Providing temporary spill protection such as booms, pigs or drain covers, or more permanent spill protections such as sealing floor drains to prevent stored chemicals, materials, substances or wastes from discharging or leaking into the wastewater collection system; or
 - (E) Analyzing chemicals, materials, substances or wastes to determine if wastes exhibit toxic or hazardous characteristics.

- (4) The ~~director~~ *City Manager* may also require a user to develop and implement best management practices (BMPs) or a slug control plan as defined in [Section 13.07.393](#) to prevent the discharge or leakage of such chemicals, materials, or wastes.

...

Part III. Prohibited Discharges

...

Sec. 13.07.207 Prohibited pollutants, substances or wastewater

No person shall discharge or cause the discharge of the following in the wastewater collection system:

- (1) Prohibited materials including, but not limited to ashes, wax, paraffin, cinders, sand, mud, straw, wood shavings, sawdust, bone, paunch manure, hair, hides or fleshings, entrails, whole blood, feathers, ~~beer or distillery slops~~, grain processing wastes, compounds and residues from grinding operations (excluding food grinders), acetylene generation sludge, chemical residues, acid residues, plastics, rubber, tar, asphalt residues, food processing bulk solids, or any rubbish, refuse, sludge or other discarded materials requiring disposal as a solid waste as defined in [Article 13.06](#) of this code;

...

Sec. 13.07.208 Prohibited discharge practices

The following discharge practices are prohibited unless otherwise authorized by the ~~director~~ *City Manager*:

- (1) Removing wastes collected in a grease trap, grease/sand interceptor, waste collection tank or other treatment device and reintroducing any portion of the wastes back into the wastewater collection system either directly or indirectly;
- (2) Discharging pollutants, substances, or wastewater directly into a manhole or other opening in the wastewater collection system other than through an approved sewer service line;
- (3) Discharging hauled waste which has been transported from another site onto a residential, commercial, or industrial site except as outlined in [Section 13.07.361](#) of this article; and
- (4) Discharging pollutants, substances, or wastewater from non-domestic sources into the collection system at a residential or other domestic wastewater source.

...

SECTION 2. That Chapter 13, Article 13.07, Division 6 of the Code of Ordinances of the City of Sherman, Texas is hereby amended so that such section shall read as follows²:

“ARTICLE 13.07 WATER, SEWERS AND SEWAGE DISPOSAL

...

Division 6. Fats, Oil, Grease and Sediment Control

Part I. In General

...

Sec. 13.07.761 Administration

Except as otherwise provided herein, the ~~director of utilities and engineering (the “director”)~~ *City Manager* shall administer, implement and enforce the provisions of this division. Any powers granted to or duties imposed upon the ~~director~~ *City Manager* may be delegated to other City personnel.

Sec. 13.07.762 Definitions

...

- (b) Unless the context specifically indicates otherwise, the following terms and phrases used in this division shall have the meanings hereafter designated:

...

- (8) *Commissary. A commissary is any food service establishment (FSE) where food is prepared and packaged for individual consumption, to be transported by the person preparing the food or an agent of the person to another location off the premises. A commissary is also the location where a mobile food unit (MFU) is required to discharge the contents of its waste tank into an approved passive grease interceptor.*
- (89) *Efficient operating condition. A condition of operation where there is no obstruction to the flow of wastewater due to fats, oils and grease or other harmful pollutants occurs in the sewer lateral, sewer main, or the manhole to which the facility discharges, and/or in the opinion of the City, no significant amounts of*

² Deletions are evidenced by ~~striketrough~~; additions are *italicized*.

fats, oils and grease or other wastes accumulates or settles inside the sewer lateral, sewer main, manhole, or lift station to which the facility discharges.

- (910) Fats, oils and greases (FOG). Organic polar compounds derived from animal and/or plant sources that contain multiple carbon chain triglyceride molecules. These substances are detectable and measurable using analytical test procedures established in 40 CFR 136, and amendments thereto. All are sometimes referred to herein as “grease.”
- (4011) FOG control program. A source control program designed to protect the City’s POTW by controlling discharges of fats, oils and grease, sediment and other objectionable wastes that cause and/or contribute to blockages, obstruction of flow, back-ups in the wastewater collection system, or sanitary sewer overflows that discharge onto public or private property resulting in potential liability to the City. This program includes the requirements established in this division of the ordinance in addition to the FOG Control Guide which may include specific standard operating procedures, standardized forms, and other documentation.
- (412) Food service establishments (FSEs). Includes ~~R~~restaurants, food courts, food packagers, grocery stores, bakeries, lounges, churches, schools, institutions, food manufacturers, food processors, hospitals, hotels, motels, prisons, nursing homes, mobile food vendors, cold dairy and frozen foodstuff preparation and serving establishments, and any other facility preparing, serving, or otherwise making any foodstuff available, or any establishment that is required to have a Grayson County Health Department food permit, and that performs one or more of the following preparation activities:
- (A) Frying, baking, broiling, grilling, sautéing, *wok cooking*, rotisserie cooking, boiling, blanching, roasting, toasting, or poaching;
 - (B) Infrared heating, searing, barbequing; and/or
 - (C) Any other food manufacturing, processing, preparation or food service activities that *have the potential to generates a significant amount of grease-bearing wastes discharges that would violate requirements in this division.* ~~and/or requires clean-up in a plumbing receptacle connected to the building sewer which discharges or has the potential to discharge to the wastewater collection system.~~
- (4213) Food grinder. Any device installed in a user’s building sewer system for the purpose of grinding food waste or food preparation products for the purpose of disposing it in the wastewater collection system.
- (4314) Garages and service stations. Facilities where automobiles are serviced, greased, repaired or washed or where gasoline, diesel fuel, or other petroleum-based fuel is dispensed.

- (1415) Generator. Any person who owns or operates an interceptor, separator and trap, or whose act or process produces a waste.
- (1516) Grease trap/grease interceptor. A passive device that is utilized to affect the separation of grease and oils in wastewater effluents from food service and related establishments. These devices also serve to collect settleable solids, generated by and from food/product preparation activities, prior to the wastes exiting the device and entering the wastewater collection system. Such traps or interceptors may be of the “outdoor” or underground type normally referred to as large grease interceptors, or the “under-the-sink” package units normally referred to as the smaller grease traps.
- (1617) Hazardous waste. A hazardous waste in accordance with Title 40 of the Code of Federal Regulations, Part 261.3.
- (1718) Holding tank. A receptacle not connected to the wastewater collection system, designed to hold objectionable waste that is prohibited from being discharged into the wastewater collection system, the contents of which must be hauled to a recycling or disposal site.
- (1819) Incompatible wastes. Wastes that have decent processing, storage or disposal requirements, or whose mixture would inhibit the proper disposal or treatment of each type of waste or combination of wastes; or wastes that if mixed may cause a dangerous chemical or physical reaction.
- (20) Insignificant food service establishments (IFSE). *Establishments that do not perform food preparation activities defined in Subsection (12)(A)-(C) above, and/or do not use dishwashers, food waste grinders or other food service equipment that will generate a significant amount of grease-bearing waste discharges that would violate the requirements in this division. IFSEs include those establishments that only:*
- (A) *Serve snow cones, coffee or coffee drinks, smoothies, herbal drinks, beer, wine, spirits or any other drink-related product;*
 - (B) *Serve frozen dairy products such as ice cream and yogurt;*
 - (C) *Cook prepackaged, premade or precooked food stuff;*
 - (D) *Serve prepackaged or pre-assembled food items that only require heating in a microwave or similar device, including but not limited to roller grills, toasters, presses and warming cases;*
 - (E) *Have a breakroom/kitchen used for individual self-prepared meals or are used only on special occasions/events; or*

- (F) *Any other FSE that in the opinion of the City does not generate a significant amount of grease-bearing waste discharges that would violate the requirements in this division.*
- (1921) Intensified dwellings. Users such as adult day care facilities, assisted living facilities, convalescent homes, nursing and child care facilities, halfway houses, homes for the mentally challenged, nursing homes, retirement and life care facilities, or other facilities where there is a commercial food preparation service or the facility requires a food service license as required by the Grayson County Health Department or other appropriate regulatory agency.
- (2022) Interceptor. A receptacle designed and constructed to intercept, separate and prevent the passage of sand, grit or other objectionable solids into the system to which it is connected.
- (2123) Laundries. Commercial laundries, laundromats, dry cleaners, or parts of a facility which perform laundering operations.
- (2224) Living quarters. A facility or an area of a facility where a person or family has a distinct living area, which includes individual kitchen and bath facilities, utilized solely by that person or family.
- (25) Mobile food unit (MFU). *A vehicle-mounted, self- or otherwise propelled, self-contained food service operation, designed to be readily movable (including, but not limited to catering trucks, trailers, pushcarts and roadside vendors) and used to store, prepare, display, serve or sell food. Mobile food units must completely retain their mobility at all times. A mobile food unit does not include a stand or booth. A roadside food vendor is classified as a MFU.*
- (2326) Municipal separate storm sewer system (MS4). The system of conveyances (including sidewalks, roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, manmade channels, culverts, pipes, or storm drains) owned and operated by the City and designed or used for collecting or conveying stormwater, and which is not used for collecting or conveying sewage.
- (2427) Non-domestic user or industrial user. A source of indirect discharge which does not constitute a discharge of pollutants under regulations issued pursuant to section 402 of the act; any person(s) including those located outside the jurisdictional boundaries of the City, who contribute, cause or permit the contribution or discharge of non-domestic wastewater into the POTW, including persons who contribute such wastewater from mobile sources.
- (2528) Reasonable hours. Any time during which a facility is open for business to the public and any time when a facility is closed to the public when a owner,

manager, employee, and/or contractor is present at the facility that is involved in cleanup, food preparation, or any business activity.

- (2629) Remodeling or renovating. A physical change or operational change including, but not limited to, changes to a user's building plumbing system, an increase in the public seating or serving area of a facility, an increase in the size of the kitchen or other area of a facility where objectionable wastes can be generated, or any change in the size, type or number of food preparation/equipment or plumbing fixtures which increases or has the potential to increase the amount of fats, oils and grease, flammable wastes, sand or other pollutants discharging to the wastewater collection system.
- (2730) Residential users. Single-family dwellings, duplexes, multiplex housing and apartments where the individual units are each on a separate water meter; or in cases where two (2) or more units are served by one (1) meter; excludes intensified dwellings.
- (2831) Sample port. A manhole or other approved device installed in the building sewer specifically designed to facilitate sampling of the wastewater discharge.
- (2932) Separator or oil/water separator. A receptacle designed to remove oils and grease from wastewater by separation, usually by simple flotation, physical separation, or by chemical addition where the oils or greases are soluble or emulsified. For the purpose of this division, the term shall apply to oil/water separators used for vehicle wash facilities or other non-food related establishments.
- (3033) Sewer lateral. A building sewer as defined in the plumbing code adopted by the City; also means the wastewater connection between the building's sewer facilities and the public sewer system.
- (3134) Transporter. A person who is registered with and authorized by the TCEQ to transport sewage sludge, water treatment sludge, domestic septage, chemical toilet waste, grit trap waste, or grease trap waste in accordance with 30 TAC § 312.141 or amendments thereto.
- (3235) Treatment devices. Grease traps, grease interceptors, oil/water separators, sand or grit traps, lint traps, catch basins, interceptors, reclamation equipment, acid/caustic dilution, basins or any other device designed to use the differences in specific gravities to separate and retain light density liquids, waterborne fats, oils, and greases prior to the wastewater entering the POTW.
- (3336) TSS (total suspended solids). Solids that either float on the surface, or are in suspension in, water, wastewater, or other liquids, and which are generally removable by a laboratory filtration device. TSS is expressed in milligrams per liter.

(3437) Twenty-five percent (25%) rule. A requirement for treatment devices to be maintained such that the combined fats, oil and grease and solids accumulation does not exceed twenty-five percent (25%) or more of the wetted capacity of the treatment device, as measured from the bottom of the device to the static level of liquid in the device. This ensures that the minimum hydraulic retention time and required available hydraulic volume is maintained to effectively intercept and retain objectionable wastes from discharging to the wastewater collection system.

(3538) Vehicle wash facilities. Automatic and hand wash facilities, detail shops, mobile vehicle washing operations, hand wash bays in service stations, truck washing operations, and other facilities with similar installations.

(3639) Yellow grease. Used cooking oil, fryer grease or any other recycled oil or grease that does not originate from any interceptor or trap.

...

Part II. Prohibitions

...

Sec. 13.07.781 General prohibitions

...

- (c) No person shall allow an accumulation of fats, oils and grease, or solids to occupy more than twenty-five percent (25%) or more of the wetted capacity of the *passive* treatment device, as measured from the bottom of the device to the static level of liquid in the device (25% rule). *This prohibition shall not apply to Alternate Grease Removal Devices (AGRDs) that have specific manufacturer's recommended maintenance programs or required BMPs as described in Section 13.07.793(b).*

...

Part III. Pretreatment and Storage of Wastes

Sec. 13.07.790 Requirement for treatment devices

- (a) Treatment devices shall be provided for the proper handling of wastes containing fats, oils and grease, flammable wastes, sand and other pollutants which may be harmful to the non-domestic user's building sewer system or the wastewater collection system for the following:
- (1) Food service establishments (*FSEs*) not specifically exempted by [Section 13.07.764](#);

...

- (6) Laundries shall be equipped with *a manufacturer's recommended lint and/or solids removal device* ~~an interceptor in order to~~ reduce the quantity of lint and silt that enters the wastewater collection system.

...

- (9) *Mobile food units as defined in Section 13.07.762(b)(25).*

- (b) Interceptors or other treatment devices installed for laundries, bottling establishments, slaughterhouses, or other facilities with the potential to discharge large solids must include a wire basket, *screen* or similar device, removable for cleaning, that prevents the passage into the wastewater collection system of solids 0.5 inches (12.7 mm) or larger in size, strings, rags, buttons, or other materials detrimental to the wastewater collection system.

...

- (d) ~~Anyone wishing to request~~ *Any non-domestic user requesting* an exemption from requirements to install *an interceptor or other treatment device* shall ~~apply to~~ *contact* the City's pretreatment services department to determine what information is needed, ~~in writing, to apply for an exemption. The written request shall include, at a minimum, the information provided on an exemption request or other similar form developed by the City.~~

Sec. 13.07.791 Alternate grease removal devices or technologies

- (a) A non-domestic user *seeking a certificate of occupancy for an existing facility* may propose the use of an alternate grease removal device (AGRD) or other technologies in lieu of a *passive treatment device as defined in Section 13.07.804* ~~in those cases where the user can demonstrate that it is impossible or impractical to install, operate, or maintain such a device due to one or more of~~ *under* the following conditions:
- (1) ~~Archaeological or historical circumstances prevent the disturbance of the ground or structure where the passive treatment device and/or plumbing connecting the building fixtures to the passive treatment device must be installed;~~ *The peak flow or total hydraulic loading from all fixtures discharging to the AGRD shall be calculated using the drainage fixture unit sizing method as described in Section 13.07.804 of this division;*
- (2) *The calculated total hydraulic loading to the AGRD cannot exceed the manufacturer's design capacity;*

- (3) *The installation of an AGRD shall include solids straining capability either designed into the device or installed upstream from the device as specified by the manufacturer; and*
- (4) *Dishwashers or food waste grinders shall not be connected to alternate grease removal devices.*
- ~~(2) — There is not adequate space or alternate locations for installing and maintaining a treatment device;~~
- ~~(3) — There is not adequate slope for gravity flow in the sewer lateral between plumbing fixtures in the building and the passive treatment device and/or between the treatment device and the City's sewer system;~~
- ~~(4) — Other conditions or obstacles, in the opinion of the City, prevent the installation of an adequately sized treatment device and sample port as required by this division.~~

...

- (c) Proposals for the installation of alternate grease removal devices or technologies shall be made in writing to the City and shall contain *manufacturer's* specifications, calculations or other documentation necessary to demonstrate treatment capabilities sufficient to maintain compliance with this division. Proposals shall be signed by a registered professional engineer.

...

Sec. 13.07.793 Requirement for best management practices

...

- (b) Food service establishments *and insignificant food service establishments* may be required to implement one or more of the following best management practices, when required in this division:
 - (1) Structural BMPs that require a physical device, appurtenance, or container to be installed or removed.
 - (2) Non-structural BMPs that depend on a non-domestic user's employee, operator and/or owner to implement pollution prevention measures or other practices necessary to comply with requirements of this division.

...

Part IV. Treatment Devices—Installation Requirements

Sec. 13.07.800 Generally

(a) New facilities. All non-domestic users listed in [section 13.07.790](#) that begin new operations on or after the effective date of this division shall be required to design, install, operate and maintain a treatment device and sample port. These users are considered new facilities when one or more of the following conditions are met.

- (1) An entire facility is newly proposed or constructed and the City has not issued a certificate of occupancy for the facility prior to the effective date of this division; or
- (2) An existing facility in whole or part, will be remodeled or renovated, where such facilities did not exist prior to the effective date of this division and the remodeling or renovation will increase or has the potential to increase the amount of fats, oils and grease, flammable wastes, sand and other pollutants that discharge to the wastewater collection system.

New facilities shall not commence any operations until installed treatment devices and sample ports are inspected by the City's plumbing inspector and ~~laboratory~~ *pretreatment* services department and the facility receives a certificate of occupancy.

(b) Existing facilities. All non-domestic users existing within the City prior to the effective date of this division shall maintain existing treatment devices, at the user's expense, in an efficient operating condition at all times.

- (1) The City may require an existing non-domestic user that ceases operations and/or undergoes a change in ownership or tenant occupancy to install new or additional treatment devices and/or sample ports or modify/repair any noncompliant plumbing, existing treatment device or sample port prior to re-commencing operations when one of the following conditions exist:
 - (A) Prior to re-commencing operations, the new owner and/or operator performs remodeling or renovation to the existing facility which will increase or has the potential to increase the amount of fats, oils and grease, flammable wastes, sand and other pollutants that discharge to the wastewater collection system;
 - (B) The prior owner and/or operator of the existing facility experienced compliance problems and/or failed to design, install and/or maintain required treatment devices or sample ports prior to ceasing operations;
 - (C) The prior owner and/or operator of the existing facility had an undersized, irreparable or defective treatment device or sample port; or

- (D) The prior owner and/or operator of the existing facility did not have plumbing connected to a treatment device and sample port in compliance with the requirements of this division.

Existing facilities shall not re-commence any operations until installed treatment devices and sample ports are inspected by the City's plumbing inspector and ~~laboratory~~ pretreatment services department and the facility receives a certificate of occupancy.

- (2) The City may require an existing non-domestic user to install new or additional treatment devices and/or sample ports within 90 days of written notification by the City or modify/repair any noncompliant plumbing, existing treatment device or sample port within 30 days of written notification by the City when any one or more of the following conditions exist:
 - (A) The user, either alone or in conjunction with other users, is contributing fats, oils and grease, sand or other pollutants in quantities sufficient to cause accumulation or necessitate increased maintenance on the POTW or causes interference at the wastewater treatment facility;
 - (B) The user is not maintaining the existing treatment device in an efficient operating condition at all times;
 - (C) The user has an undersized, irreparable or defective treatment device or sample port;
 - (D) The user does not have plumbing connected to a treatment device and sample port in compliance with the requirements of this division; ~~and/or~~
 - (E) The ~~existing facility~~ user is experiencing difficulty in achieving compliance with this division or other portions of this article; *and/or*
 - (F) *The food service establishment (FSE) or insignificant food service establishment (IFSE) modifies food manufacturing, processing, or preparation activities, installs dishwashers, food waste grinders or other food service equipment that was previously prohibited or otherwise has increased the potential to generate additional grease-bearing waste discharges that in the opinion of the City would violate the requirements in this division.*
- (3) The ~~director~~ City Manager may authorize an extension of time to achieve compliance with this section for an additional 90 days unless the non-domestic user, either alone or in conjunction with other users is:

...

Sec. 13.07.801 General specifications

...

- (b) All treatment devices and sample ports shall be installed by a licensed plumber. Treatment devices and sample ports shall be subject to inspection by the City's plumbing inspector and ~~laboratory~~ pretreatment services department prior to the issuance of a certificate of occupancy.

...

Sec. 13.07.803 ~~Grease trap specifications and sizing~~ *Reserved*

- ~~(a) The City shall establish minimum sizing criteria for "under the sink" grease traps using the drainage fixture unit sizing method described in the FOG control program.~~
- ~~(b) When wastes from two or more fixtures are combined to be served by one grease trap, a single flow control device shall be used.~~
- ~~(c) Grease traps shall be constructed in accordance with the City's specifications.~~
- ~~(d) The connection of food grinders or commercial dishwashers to these devices is prohibited.~~

Sec. 13.07.804 Grease interceptor specifications and sizing

- (a) The City shall establish minimum sizing criteria for *passive* grease interceptors using the drainage fixture unit sizing method described below:
 - (1) The hydraulic loading from each fixture unit is equal to 7.5 gallons per minute (gpm);
 - (2) The total hydraulic loading on the grease interceptor is determined by the sum of fixture units multiplied by 7.5 gpm;
 - (3) A minimum of a 12-minute retention time is required through the grease interceptor even though all fixtures may not discharge simultaneously;
 - (4) Minimum grease interceptor capacity = total number of fixture units x 7.5 gpm x 12 minute retention time.

Table 1-1

Fixture Unit Chart

Fixture Description

Fixture Unit

Single compartment sink	2
Double compartment sink	2
Triple compartment sink	3
Hygiene “only” sink	1
Dish machine	6
Garbage grinder	4
Pre-rinse sink	2
Mop sink	3
Tilt kettle trough receptor	3
Grease extracting hood receptor	3
Wok stove	4
Dipper well	2
2" floor drain troughs/sink	2
3" floor drain troughs/sink	3
4" floor drain troughs/sink	4

- (b) *Passive Grease interceptors shall be constructed in accordance with City specifications, and shall have a minimum of two compartments with fittings designed for grease retention.*
- (c) *All grease bearing wastes streams must be routed through the passive grease interceptor treatment device.*
- (d) *Floor drains shall be connected to the passive grease interceptor, but those drains with no fixtures attached such as a sink, dishwasher or other fixture will not be used in the sizing calculation.*
- (~~d~~e) *Drains that receive only “clear wastes” from ice machines, condensate lines, or other applicable fixtures, may be plumbed to the sanitary sewer without passing through a treatment device with the condition that the receiving drain is a “hub” type that is a minimum of two inches (2") above the finished floor.*

...

Sec. 13.07.806 Food waste grinders

- (a) Any non-domestic user that installs and/or commences the operation of food waste grinders on or after the effective date of this division will be required to install a

properly-sized solids separator prior to discharging to a grease interceptor. ~~Alternately, where allowed by ordinance, the City may increase or modify the size of a grease interceptor to provide sufficient capacity to handle solids from food waste grinders where a solids separator is not installed.~~

...

Sec. 13.07.807 Mobile Food Unit (MFU)

- (a) *MFUs shall be required to submit an approved plan review to the City from the Grayson County Health Department (GCHD) that indicates the commissary that will be used to store the unit, prepare food, fill water tanks and dispose of waste tank contents.*
- (b) *All approved MFUs shall utilize a common commissary approved by the GCHD unless there is no such location. Commissaries shall be approved on a case-by-case basis if a common commissary is not available.*
- (c) *If the MFU proposes to discharge its waste tank to an approved passive grease interceptor at an alternate FSE location, the MFU shall obtain approval from the City to do so.*
- (d) *An MFU shall discharge its waste tank to an acceptable treatment device or obtain permission from an active FSE with a passive grease interceptor not smaller than 500 gallons and submit an application that is provided by the City for consideration.*
- (e) *If an FSE gives permission to a MFU to discharge to its passive grease interceptor, the FSE assumes responsibility for the contents of the discharge from the MFU.*

Secs. 13.07.8078–13.07.809 Reserved

...

Part VI. Cleaning and Maintenance Requirements

...

Sec. 13.07.827 Minimum pumping frequencies

- (a) Treatment devices shall be completely evacuated (pumped), cleaned, and inspected as often as necessary to ensure the efficiency and integrity of the treatment device; to ensure the discharge is compliant with screening limits, local discharge limits or requirements specified in this division; and to ensure no visible grease or oil is observed in the user's discharge.

- (1) Grease interceptors. The City ~~may~~ *shall* require non-domestic users to pump, clean, and/or inspect grease interceptors at a minimum of every ninety (90) days. More frequent pumping may be required when:

...

- (2) Oil/water separators and sand/grit traps. The City ~~may~~ *shall* require non-domestic users to pump, clean, and/or inspect oil/water separators and sand/grit traps a minimum of every one-hundred eighty (180) days. More frequent pumping may be required when:

...

Sec. 13.07.829 Variances to pumping frequencies

...

- (b) Any user requesting a variance to the minimum pumping frequencies established in this division shall notify the City's *pretreatment services department to determine what information is needed to apply for a variance*, ~~in writing, to apply for a variance. The written request shall include, at a minimum, the information provided on a variance request or other similar form developed by the City.~~

- (c) *The City will not extend a variance to the minimum pumping frequency for longer than six (6) months for a grease interceptor or twelve (12) months for grit/oil water separators.*

...

Sec. 13.07.831 Self-cleaning requirements

- (a) ~~All Grease trap self-cleaning owner/operators existing within the City prior to the effective date of this ordinance shall be permitted to continue maintaining "under the sink" must receive approval from the City annually prior to removing fats, oils and grease from their own grease trap(s) located inside a building, provided:~~

- (1) The grease trap is no more than fifty (50) gallons in liquid/operating capacity;
- (2) Proper on-site material disposal methods are implemented (e.g., absorb liquids into solid form and dispose into trash);
- (3) The City's solid waste division allows such practices;
- (4) The grease trap wastes are placed in a leak proof sealable container(s) located on the premises in an accessible area for a transporter to pump-out (where applicable) and; ~~and~~

- (5) ~~Detailed records on these activities are maintained~~ *The City has not established requirements for the user to install new or additional treatment devices as specified in Section 13.07.800(b) of this division.*
- ~~(b) Grease trap self-cleaning owner/operators must submit a completed trap self-cleaning request to the City for approval. This request shall include, at a minimum, the information outlined in the FOG Control Guide.~~
- (eb) ~~Grease trap self-cleaning owner/operators must adhere to standard cleaning procedures, detailed recordkeeping, and all requirements specified in this division to ensure compliance. A maintenance log shall be kept by self-cleaning owner/operators that indicates, at a minimum, the information outlined in the FOG Control Guide existing within the City prior to the effective date of this ordinance may petition the City to bypass and/or remove an existing “under the sink” grease trap providing the following conditions are met:~~
- ~~(1) The user meets the definition of an insignificant food service establishment (IFSE) as described in Section 13.07.762(b);~~
 - ~~(2) The user is not in violation of requirements established in this division;~~
 - ~~(3) The user receives written approval from the City’s pretreatment services department that the “under the sink” grease trap may be bypassed or removed; and~~
 - ~~(4) The user complies with all permitting, construction and inspection activities in accordance with Chapter 3, Building Regulations of the City’s Code of Ordinances when modifying plumbing to bypass or remove the grease trap.~~
- ~~(dc) Where necessary, the City may establish requirements for a self-cleaning owner/operator with an installed grease trap to:~~
- ~~(1) Develop and implement a FOG control plan as specified in Section 13.07.866;~~
 - ~~(2) Implement best management practices as specified in Section 13.07.793(b); and/or~~
 - ~~(3) Install new or additional treatment devices as specified in Section 13.07.800(b).~~
- (ed) Violations incurred by grease trap self-cleaning owner/operators will be subject to enforcement remedies which include, but are not limited to: fees, removal from the self-cleaner program or other remedies as allowed by this division or other sections of this article.

...

Part VII. Monitoring and Inspection Requirements

...

Sec. 13.07.852 Sample collection

- (a) Except as indicated in subsection (b), wastewater samples used to determine compliance with this division shall be collected using flow proportional composite sample techniques. In the event that flow proportional composite sampling is not feasible, the ~~director~~ *City Manager* may authorize the use of time proportional composite sampling or other acceptable techniques that will provide a representative sample of the effluent being discharged.

...

Sec. 13.07.853 Confidentiality and proprietary information

(a) Information and data on a user obtained from reports, surveys, and monitoring programs, and from the ~~director's~~ *City Manager's* inspection and sampling activities, shall be available to the public without restriction, unless the user specifically requests, and is able to demonstrate to the satisfaction of the ~~director~~ *City Manager*, that the release of such information would divulge information, processes or methods of production entitled to protection as trade secrets under applicable state law. Any such request must be asserted at the time of submission of the information or data.

(b) When requested and demonstrated by the non-domestic user furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available immediately upon request to governmental agencies for uses related to the TPDES program or pretreatment program and in enforcement proceedings involving the person furnishing the report.

(c) Wastewater constituents and characteristics and other "effluent data" as defined by 40 CFR 2.302 will not be recognized as confidential information and will be available to the public without restriction.

...

Part VIII. Recordkeeping Requirements

...

Sec. 13.07.863 Wastewater questionnaire or survey

When requested by the ~~director~~ *City Manager*, non-domestic users must submit information on the nature and characteristics of their wastewater operations by completing a wastewater questionnaire or similar form developed by the City. Failure to complete and return this questionnaire *or survey* shall constitute a violation of this division.

Sec. 13.07.864 Standardized forms or reports

The ~~director~~ *City Manager* may develop standardized forms for the non-domestic user to submit information required in this division. The user shall use these standardized forms unless authorized otherwise. These forms may be updated as needed.

...

Part IX. Enforcement Remedies

...

Sec. 13.07.873 Compliance schedule agreements

...

- (c) The ~~director~~ *City Manager* shall not enter into a CSA until such time that all monetary amounts owed to the City, including administrative fees, or other amounts are paid in full.
- (d) If compliance is not achieved in accordance with the terms and conditions of the CSA during its term, the ~~director~~ *City Manager* may issue notice to the user that the CSA will be suspended or revoked and the ~~director~~ *City Manager* will escalate enforcement actions.

...

Sec. 13.07.875 Emergency suspension of services

The City may immediately suspend a user's City provided water supply and/or wastewater discharges without providing advanced notice when such suspension is necessary to stop actual or threatened discharges as described in Section 13.07.141 of this article. A non-domestic user may petition the ~~director~~ *City Manager* as provided by Section 13.07.877 of this article as soon as possible after the suspension of services.

Sec. 13.07.876 Non-emergency termination of services

The City may terminate a user's City provided water supply and/or wastewater discharges after providing notice of such actions as described in Section 13.07.142 of this article. A non-domestic

user may appeal to the ~~director~~ *City Manager* for a show cause hearing as provided by Section 13.07.877 of this article.

Sec. 13.07.877 Show cause hearing

(a) The ~~director~~ *City Manager* may order any non-domestic user which causes or contributes to violation(s) of this division, or orders issued hereunder, to appear before the ~~director~~ *City Manager* and show cause prior to the non-emergency termination of water supply and/or wastewater discharge, or at the discretion of the ~~director~~ *City Manager*, prior to taking any enforcement action.

(b) Notice shall be served on the non-domestic user specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request that the user show cause why this proposed enforcement action should not be taken.

(c) The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least ten (10) business days prior to the hearing. Such notice may be served on any authorized representative of the non-domestic user.

(d) Whether or not the non-domestic user appears as ordered, immediate enforcement action may be pursued following the hearing date.

(e) A show cause hearing shall not be a prerequisite for taking any other action against the user.

Sec. 13.07.878 Public nuisances

(a) Any discharge to the POTW that causes and/or contributes to blockages, obstruction of flow or other conditions, that alone or in conjunction with other users, cause and/or contribute to back-ups or sanitary sewer overflows onto public or private property may be declared a public nuisance and shall be corrected or abated as required by the ~~director~~ *City Manager*.

...

Sec. 13.07.879 Citations to municipal court

(a) Notwithstanding any enforcement remedies specified in [Section 13.07.872](#) thru [Section 13.07.879](#) of this division, the ~~director~~ *City Manager* may cite any user in municipal court for violations of this division.

...

Part X. Miscellaneous Provisions

Sec. 13.07.886 Liability

- (a) The ~~director~~ *City Manager*, or any employee of the City charged with the enforcement of this division, while acting for the jurisdiction, shall not be rendered liable personally, and is hereby relieved from all personal liability for any damages accruing to persons or property as a result of any act required or permitted in the discharge of official duties required under this division.
- (b) The ~~director~~ *City Manager* or any employee of the City shall not be liable for costs in any action, suit or proceedings that is instituted in pursuance of the provisions of the division, and the ~~director~~ *City Manager* or any employee of the City acting in good faith and without malice, shall be free from liability for acts performed under any of its provisions or by reason of any act or omission in the performance of official duties in connection therewith.

...”

SECTION 3. That the Code of Ordinances shall remain in full force and effect, save and except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict, but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 4. That in the event any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 5. That it is hereby found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 6. That this Ordinance shall become effective from and after its adoption and publication as required by law.

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

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

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

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

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
**RYAN D. PITTMAN,
CITY ATTORNEY**



City Council Regular Meeting

D. 2.

Meeting Date: 02/21/2022

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCE

Consider Adoption of Ordinance Number 6459.

Issue:

D. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6459

Amending the Code of Ordinances, City of Sherman, Texas, at Chapter 13 (Utilities), Article 13.07 (Water, Sewers And Sewage Disposal), Division 3 (Sewers and Sewage Disposal) and Division 6 (Fats, Oil, Grease and Sediment Control); Modifying Regulations Governing the City's Fats, Oil, Grease and Sediment Control Program; Providing for Inclusion in the Code of Ordinances; Providing a Repealing Clause, a Severability Clause and A Penalty Clause



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 1.

Meeting Date: 02/21/2022

Prepared By: Robby Hefton, City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6848

Authorizing Execution of a Consent to the Assignment of the Master Development Agreement Between the City of Sherman and TPJ Properties, Ltd., for the Construction of Public Facilities in the Residential Portion of the Mixed-Use Planned Development Known as Heritage Ranch, Being an Approximate 174-Acre Residential Development along U.S. Hwy 82 and Between F.M. 1417 (Heritage Parkway) and Travis Street in the City of Sherman, Texas; Identifying the Permitted Assignee as RCICD Heritage Ranch, LLC;

Issue:

To Assign the Heritage Ranch Master Development Agreement to RCICD Heritage Ranch LLC (RCICD).

Background:

In January 2021 (Ordinance No. 6354), the City Council approved to rezone the property generally located East of F.M. 1417 (Heritage Parkway) and North of U.S. Highway 82, as a Planned Development District. At the August 2, 2021 City Council meeting the Council approved Resolution 6760, which authorized a Master Development Agreement (MDA) between the City and TPJ Properties, LTD, for the construction of public facilities in the residential portion of the mixed-use planned Development known as Heritage Ranch, being an approximate 174-acre residential development along U.S. HWY 82 and between F.M. 1417 (Heritage Parkway) and Travis Street.

As this project has progressed, additional development partners have been brought in by TPJ, and the ownership structure has changed to meet the needs of the project. The City has the right and authority under the MDA to approve assignment of the City's commitments under the MDA to different assignees. The former developer, TPJ Properties, LTD, has requested that the City approve this assignment to RCICD, the new entity of which will retain TPJ as partners in the structure. RCICD agrees to assume all duties liabilities and obligations of TPJ Properties, Ltd. under the original MDA, and City staff has met with the new development partners and is comfortable that the terms and conditions of the MDA can be accomplished through this new ownership structure.

Origination:

City Manager Robby Hefton

Financial Consideration:

There is no direct financial impact to the City of authorizing assignment of the MDA.

Staff Recommendation:

Staff recommends authorize assigning the Heritage Ranch Residential portion of the development agreement to Rockhill Investments

Alternatives:

As directed by City Council

Attachments

Resolution No. 6848

Assignment of Development Agreement

Resolution No. 6760 from 8/2/2021

Aerial Location Map

RESOLUTION NO. 6848

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CONSENT TO THE ASSIGNMENT OF THE MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND TPJ PROPERTIES, LTD., FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE RESIDENTIAL PORTION OF THE MIXED-USE PLANNED DEVELOPMENT KNOWN AS HERITAGE RANCH, BEING AN APPROXIMATE 174-ACRE RESIDENTIAL DEVELOPMENT ALONG U.S. HWY 82 AND BETWEEN F.M. 1417 (HERITAGE PARKWAY) AND TRAVIS STREET IN THE CITY OF SHERMAN, TEXAS; IDENTIFYING THE PERMITTED ASSIGNEE AS RCICD HERITAGE RANCH, LLC; 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 a consent to the Assignment of the Master Development Agreement with TPJ Properties LTD for the construction of public facilities in the residential portion of the mixed-used Planned Development known as Heritage Ranch, being an approximate 174-acre residential development along U.S. Hwy 82 and between F.M. 1417 (Heritage Parkway) and Travis Street in the City of Sherman, Texas, in accordance with all contract documents attached hereto and made a part hereof for all purposes. The permitted assignee is RCICD Heritage Ranch, LLC.

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

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

PASSED AND APPROVED on this the 21st day of February, 2022.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Space Above for Recording Information

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 YOUR DRIVER'S LICENSE NUMBER.

After Recording Return To:
RCICD Heritage Ranch LLC
9550 John W. Elliott Drive, Suite 106
Frisco, Texas 75033

ASSIGNMENT OF HERITAGE RANCH MASTER DEVELOPMENT AGREEMENT

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

THIS ASSIGNMENT OF HERITAGE RANCH MASTER DEVELOPMENT AGREEMENT (this "Assignment") is made and entered into effective as of the ____ day of February 2022, by and between TPJ Properties, Ltd., a Texas limited partnership ("Assignor"), and RCICD Heritage Ranch LLC, a Texas limited liability company ("Assignee").

WHEREAS, Assignor, as "Developer", and the City of Sherman, Texas, a home-rule municipality of the State of Texas (the "City"), have entered in to that certain Heritage Ranch Master Development Agreement effective as of October 5, 2021 (the "Development Agreement"), concerning certain real property owned by Assignor and situated in Grayson County, Texas, containing approximately 171.56 acres, as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference (the "Land", and together with all improvements now or hereafter situated hereon, the "Property"); and

WHEREAS, Assignor is a member of Assignee, and Assignor desires and intends to convey to Assignee all of Assignor's rights, title and interests in and to the Property as Assignor's initial capital contribution to Assignee pursuant to the terms of Assignee's Company Agreement; and

WHEREAS, in connection therewith, Assignor also desires to assign to Assignee, and Assignee desires to acquire from Assignor, all of Assignor's rights, title and interests in, to and under and obligations under the Development Agreement.

NOW THEREFORE, for TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, Assignor and Assignee do hereby agree as follows:

1. Assignor does hereby assign the Development Agreement to Assignee, together with all of Assignor's rights, title, interest, benefits and privileges and all of Assignor's duties, liabilities and obligations under, or arising in connection with, the Development Agreement.

2. Assignee agrees to and does hereby assume all duties, liabilities and obligations of Assignor under, or arising in connection with, the Development Agreement, and hereby indemnifies Assignor from and against all costs, expenses, liabilities, loss, damage or obligations incurred by or imposed upon or alleged to be due of Assignor in connection with any and all such duties, liabilities and obligations.

3. As evidenced by the City's signature below, and subject to Assignee's assumption as set forth in Paragraph 2 above, the City hereby consents to and approves Assignor's assignment of the Development Agreement to Assignee as set forth hereinabove and agrees that Assignor is and shall hereby be relieved of any and all future liability under the Development Agreement.

[Signatures Appear on Following Page]

EXECUTED AND DELIVERED to be effective as of the date first above written.

ASSIGNOR:

TPJ PROPERTIES, LTD.,
a Texas limited partnership

By: Johnson River LLC,
a Texas limited liability company
Its: General Partner

By: _____
Tom Johnson, President

THE STATE OF TEXAS §
 §
COUNTY OF _____§

This instrument was acknowledged before me on the ____ day of February 2022, by Tom Johnson, in his capacity as President of Johnson River LLC, a Texas limited liability company, in its capacity as General Part of TPJ Properties, Ltd., a Texas limited partnership for and on behalf of said entities.

[Notary Stamp]

Notary Public in and for the State of Texas

ASSIGNEE:

RCICD HERITAGE RANCH LLC,
a Texas limited liability company

By: _____
Ryan Griffin, Manager

By: _____
Tom Johnson, Manager

THE STATE OF TEXAS §
 §
COUNTY OF _____§

This instrument was acknowledged before me on the ____ day of February 2022, by Ryan Griffin, in his capacity as Manager of RCICD Heritage Ranch LLC, a Texas limited liability company, for and on behalf of said limited liability company.

[Notary Stamp]

Notary Public in and for the State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF _____§

This instrument was acknowledged before me on the ____ day of February 2022, by Tom Johnson, in his capacity as Manager of RCICD Heritage Ranch LLC, a Texas limited liability company, for and on behalf of said limited liability company.

[Notary Stamp]

Notary Public in and for the State of Texas

APPROVED:

THE CITY OF SHERMAN, TEXAS

ATTEST:

By: _____

Name: _____

Title: _____

City Clerk

APPROVED AS TO FORM:

Attorney for the City of Sherman

THE STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of February 2022, by _____, in his/her capacity as _____ of the City of Sherman, Texas, for and on behalf of said municipality.

[Notary Stamp]

Notary Public in and for the State of Texas

**EXHIBIT “A”
TO
ASSIGNMENT OF HERITAGE RANCH MASTER DEVELOPMENT AGREEMENT**

Description of the Land

(To be completed.)

RESOLUTION NO. 6760

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SHERMAN AND TPJ PROPERTIES, LTD, FOR THE CONSTRUCTION OF PUBLIC FACILITIES IN THE RESIDENTIAL PORTION OF THE MIXED-USE PLANNED DEVELOPMENT KNOWN AS HERITAGE RANCH, BEING AN APPROXIMATE 174-ACRE RESIDENTIAL DEVELOPMENT ALONG U.S. HWY 82 AND BETWEEN F.M. 1417 (HERITAGE PARKWAY) AND TRAVIS STREET IN THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Master Development Agreement with TPJ Properties LTD for the construction of public facilities in the residential portion of the mixed-used Planned Development known as Heritage Ranch, being an approximate 174-acre residential development along U.S. Hwy 82 and between F.M. 1417 (Heritage Parkway) and Travis Street in the City of Sherman, Texas, 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.

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

PASSED AND APPROVED on this the 2nd day of August, 2021.

CITY OF SHERMAN, TEXAS

BY:


DAVID PLYLER, MAYOR

ATTEST:

BY: Linda Ashby
LINDA ASHBY, CITY CLERK

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

BY: Ryan Pittman
RYAN PITTMAN, CITY ATTORNEY

Exhibit D Infrastructure

Black Highlight: City Infrastructure; Force Main from Sanitation District

Blue Highlight: Developer Infrastructure; roadways, waterways, and utilities

Black Highlight: City Infrastructure; Force Main from Sanitary Sewer Lift Station
Blue Highlight: Developer Infrastructure; roadways, water, sanitary sewer, storm sewer

Black Highlight: City Infrastructure; Force Main from Sanitary Sewer Lift Station

Blue Highlight: Developer Infrastructure; roadways, water, sanitary sewer, storm sewer

COMMUNIST SYNDICATE
of U.S.A.

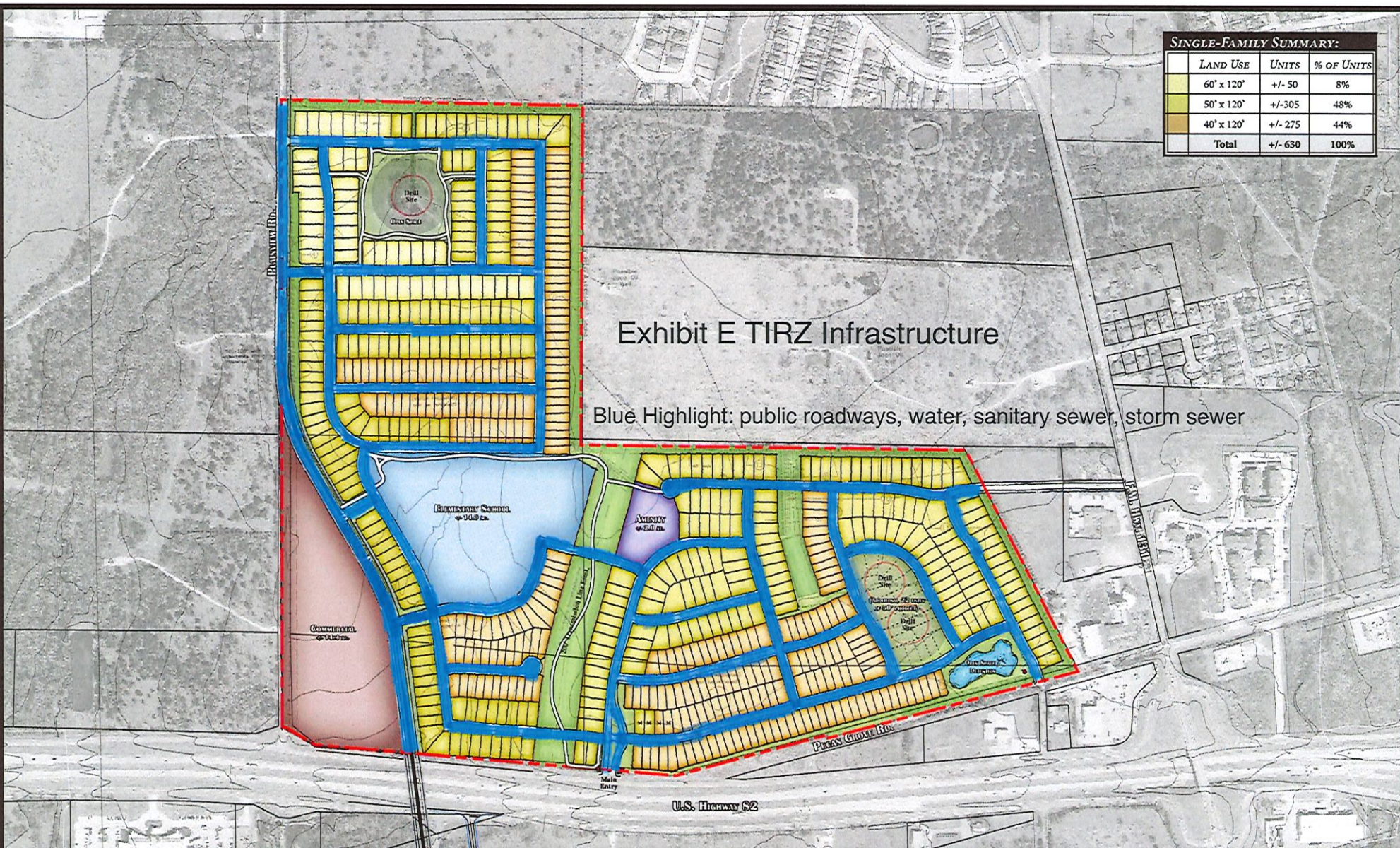
August
2012

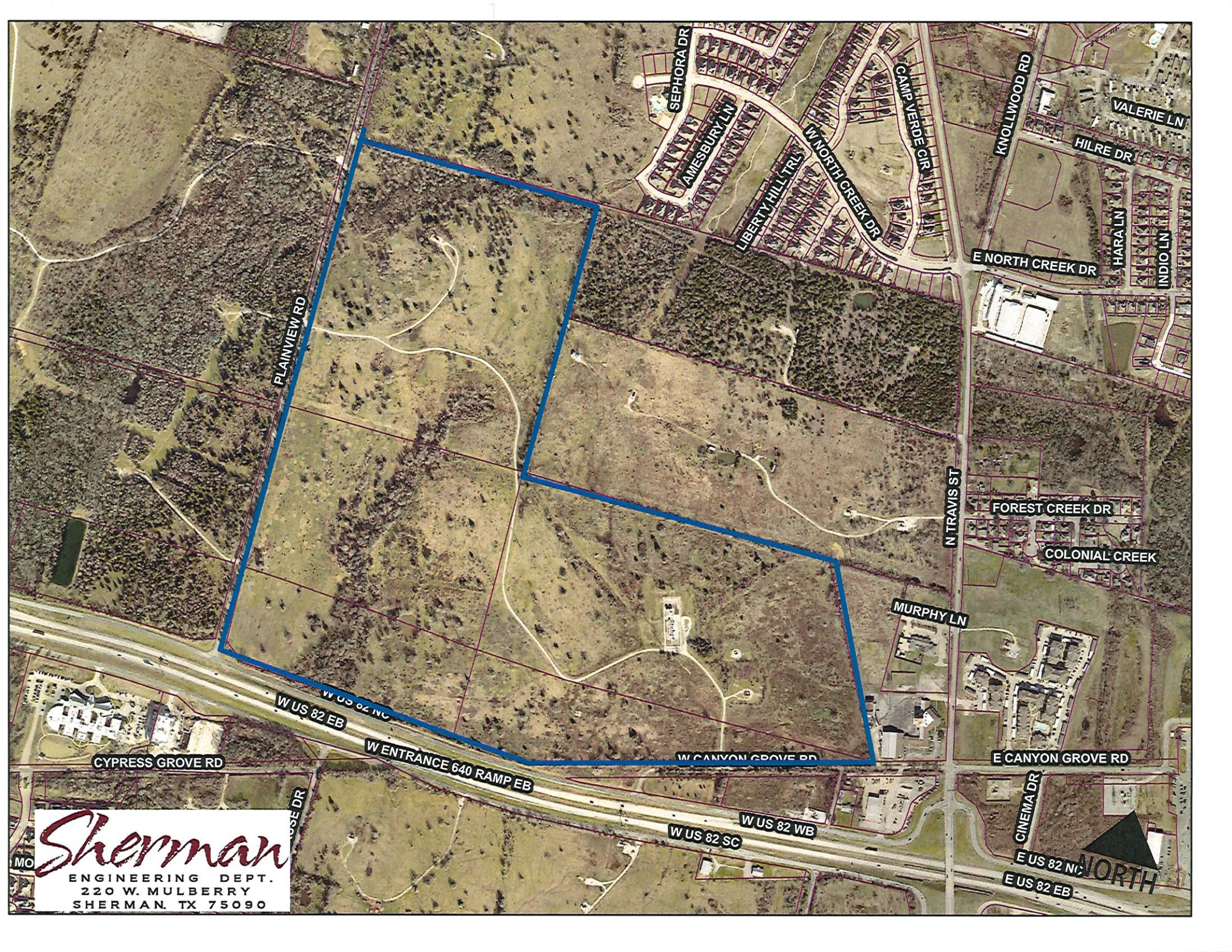
U.S. Highway 82

SINGLE-FAMILY SUMMARY:			
LAND USE	UNITS	% OF UNITS	
60' x 120'	+/- 50	8%	
50' x 120'	+/- 305	48%	
40' x 120'	+/- 275	44%	
Total	+/- 630	100%	

Exhibit E TIRZ Infrastructure

Blue Highlight: public roadways, water, sanitary sewer, storm sewer





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

**HERITAGE RANCH
MASTER DEVELOPMENT AGREEMENT**

This Heritage Ranch Master Development Agreement (this "Agreement") is entered into by and between **TPJ Properties, Ltd.**, a Texas limited partnership (the "Developer"), and the **City of Sherman, Texas**, a home-rule municipality of the State of Texas (the "City," and collectively with the Developer, the "Parties"), to be effective on the date upon which the last of all of the Parties has approved and duly executed this Agreement ("Effective Date").

ARTICLE I
RECITALS

WHEREAS, certain terms used herein are defined in Article II; and

WHEREAS, the Developer is the current owner of approximately 174 acres of real property, which property is described by metes and bounds on Exhibit A and depicted on Exhibit B (the "Property"); and

WHEREAS, the Property is located wholly within the limits of the City and not within the extraterritorial jurisdiction or corporate limits of any other municipality; and

WHEREAS, to accomplish the high-quality development of the Property envisioned by the Parties, the Developer issued a petition to the City on March 10, 2021 to create the Heritage Ranch Municipal Utility District No. 1 of Grayson County (the "MUD"), and the City Council provided its approval and consent to the creation of the MUD as set forth in Resolution No. 6713 and

WHEREAS, the City Council zoned the Property as a Planned Development pursuant to City Ordinance No. 6354, adopted by the City Council on January 19, 2021 (the "PD"); and

WHEREAS, the Parties intend that the Property will be developed in accordance with an agreed concept plan ("Concept Plan"), as shown on Exhibit C attached hereto and incorporated herein for all purposes, City Regulations, and other terms and conditions set forth in this Agreement; and

WHEREAS, the Developer is developing the Property at its sole cost and expense as a single family development in phases consistent with the Concept Plan, City Regulations, and terms and conditions of this Agreement, which such development will include, without limitation, the Developer's design, construction, installation and development of the following improvements: (i) the Single-Family Development (defined below); (ii) the Recreational Facility (defined below); (iii) the Amenities (defined below); (iv) enhanced entryway and landscaping features on the Property that are unique to the Property; (v) the School Campus (defined below), should the Sherman Independent School District choose a location within the Property; and (vi) the Developer Infrastructure (defined below).

WHEREAS, in consideration for Developer's agreements contained herein, the City will design, construct, install and develop at its sole cost and expense the City Infrastructure (defined

below) in phases consistent with the Concept Plan, City Regulations, and terms and conditions of this Agreement; and

WHEREAS, the improvements set forth on **Exhibit D** attached hereto and incorporated herein for all purposes, consist of both the Developer Infrastructure and the City Infrastructure, and include on-site and off-site public improvements and infrastructure that are designated to serve the development of the Property and are considered public infrastructure (the "Public Infrastructure"); and

WHEREAS, upon Developer's completion and construction of any Public Infrastructure, Developer will dedicate such Public Infrastructure to the City for use and maintenance, subject to the City's final review and approval of the same as set forth in this Agreement; and

WHEREAS, Developer and City will design, construct and install the Developer Improvements and the City Infrastructure, respectively, in multiple phases of development as set forth in this Agreement; and

WHEREAS, this Agreement is intended to establish certain restrictions and expectations regarding the development of the Property, and to provide for the construction of the Developer Improvements and City Infrastructure, and the funding of the Public Infrastructure, which provide a special benefit to the Property; and

WHEREAS, in consideration of the mutual agreements contained herein to accomplish the high-quality development of the Property envisioned by the Parties and to provide for the recovery by Developer of certain costs related to qualifying Developer Infrastructure and at the request of the Developer, the City intends to exercise its powers to create Sherman Tax Increment Reinvestment Zone #8 (the "TIRZ"), to be created in accordance with Chapter 311 of the Texas Tax Code, as amended (the "TIF Act"), to allow for the reimbursement of certain hard and soft costs incurred by Developer in constructing and installing the Developer Infrastructure that qualify under the TIF Act, which each qualifying Developer Infrastructure shall be considered a TIRZ Project as set forth on **Exhibit E** attached hereto and incorporated herein and as updated from time to time by the TIRZ Project and Finance Plan; and

WHEREAS, the City, subject to the consent and approval of the City Council, and in accordance with the terms of this Agreement and all requirements of applicable laws, intends, to the extent it has not prior to the Effective Date, to adopt the TIRZ Project and Finance Plan in accordance with the timeline set forth herein; and

WHEREAS, all of the City's Administrative Expenses associated with the TIRZ will be paid in accordance with Chapter 311 of the Texas Tax Code, as amended, and the City will not be responsible for payment of such costs; and

WHEREAS, to the extent funds must be advanced to pay for any costs associated with the creation of the TIRZ Documents, the Developer shall be responsible for advancing such funds, and the City will not be responsible for the payment of such costs; and

WHEREAS, the managed growth described in this Agreement will drive infrastructure investment and job creation, both of which will, in turn, have a multiplier effect that increases the City's tax base; and

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, the City's intent to create and utilize the TIRZ to reimburse the Developer for the costs of the Developer Infrastructure qualifying under the TIF Act, the City's consent to the creation of the MUD, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

ARTICLE II **DEFINITIONS**

Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

Administrative Expenses shall include, without limitation, expenses incurred in the establishment, administration, and operation of the TIRZ including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the TIRZ, (iii) computing, levying, collecting and transmitting the tax and increment thereof, (iv) maintaining the record of the TIRZ, (v) investing or depositing or other monies, as applicable, and (vi) complying with the TIF Act.

Administrator means an employee or designee of the City who shall have the responsibilities provided in the TIRZ Documents or any other agreement or document approved by the City related to the duties and responsibilities for the administration of the TIRZ.

Amenities means parks, trails, green and open spaces, pedestrian connectivity paths, and other quality-of-life amenities.

City Council means the city council of the City.

City Infrastructure means certain on-site improvements and off-site improvements that will be located away from the Property, which will include off-site sewer expansion and certain infrastructure and improvements, such as primary collector roads identified on the Concept Plan.

City Regulation(s) means any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement as they presently exist and as they may be amended in the future, which shall include, without limitation, the PD.

County means Grayson County, Texas.

Developer Improvements means the Single-Family Development, the Recreational Facility, the Amenities, the enhanced entryway and landscaping features on the Property that are unique to the Property, the School Campus, and the Developer Infrastructure.

Developer Infrastructure means all collector streets, residential streets, utilities, drainage, and other infrastructure required to serve the Developer Improvements, including, without limitation, the following: (a) the road improvements consisting of the thoroughfare identified on the Concept Plan and known as "Plainview Road" (herein so called), along with appurtenant utilities, drainage, and other infrastructure required to support the same; and (b) the road improvements consisting of the east/west thoroughfare identified on the Concept Plan and known as "Heritage Ranch Road" (herein so called) that will connect Plainview to N. Travis, along with appurtenant utilities, drainage, and other infrastructure required to support the same.

End-Buyer means any developer, homebuilder, builder, tenant, user, or occupant/owner of a Fully Developed and Improved Lot, including without limitation a builder who acquires a lot with the intent to construct a single-family residence on the lot.

Fully Developed and Improved Lot means any lot, regardless of proposed use, which is served by the Public Infrastructure and for which a final plat has been approved by the City and recorded in the real property records of Grayson County.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

Owners' Association means each of the owners' associations that the Developer will create throughout the Property as set forth in this Agreement.

Public Infrastructure means the Developer Infrastructure and the City Infrastructure including on-site and off-site public improvements and infrastructure that is designated to serve the development of the Property and is more particularly described in **Exhibit D**.

Project Cost(s) means those costs incurred by the Developer in the construction and development of the TIRZ Projects that are eligible for reimbursement from the TIRZ in accordance with the TIF Act and the TIRZ Project and Finance Plan as amended from time to time.

Recreational Facility means a recreational facility.

School Campus means designated land to allow a school campus for the Sherman Independent School District's use.

Single-Family Development means a single-family residential development generally located between Plainview Road (defined below) and Travis Street (defined below) north of US Highway 82 that will consist of a minimum of 650 single-family home lots of variable sizes within the Property.

TIRZ Documents means the amended TIRZ Project and Finance Plan, the TIRZ Ordinance, and this Agreement.

TIRZ Fund(s) means the fund(s) set up by the City in order to receive the TIRZ funds in accordance with this Agreement, the TIRZ Documents and state law.

TIRZ Ordinance means the City Ordinance to be adopted by the City Council to create the TIRZ in accordance with this Agreement, along with any subsequent ordinances effectuating amendments thereto.

TIRZ Project(s) means the Developer Infrastructure set forth in **Exhibit E** attached hereto and incorporated herein for all purposes and the TIRZ Project and Finance Plan, which Project Costs associated with said TIRZ Projects shall qualify for reimbursement from the TIRZ to the extent permissible under the TIF Act.

TIRZ Project and Finance Plan means the Project Plan and Finance Plan for the TIRZ, as amended from time to time.

ARTICLE III

CONSTRUCTION OF IMPROVEMENTS AND TIRZ PROJECTS

3.1 Construction of Improvements. The Developer and the City will design, construct, install and develop the Developer Improvements and the City Infrastructure, respectively, in the manner set forth herein. The Developer must commence construction of the Developer Improvements within twelve (12) months of the Effective Date, subject to force majeure. The City must commence construction of the City Infrastructure concurrently with the Developer, provided, however, the City need not commence construction of the City Infrastructure prior to the date six (6) months from the Effective Date. The Developer and the City will complete construction of the Public Infrastructure within ten (10) years of commencement of construction of the first Phase of development, subject to force majeure.

3.2 TIRZ Projects. As set forth above, the Developer Infrastructure set forth in **Exhibit E** attached hereto are Public Infrastructure that qualify as TIRZ Projects, and the Project Costs associated with said TIRZ Projects are eligible for reimbursement from the TIRZ. The Project Costs and the timetable for installation of the TIRZ Projects will be reviewed annually by the Parties, and any updates to the TIRZ Projects will be included in an amended TIRZ Project and Finance Plan to be adopted and approved by the City. Upon the adoption of the TIRZ Project and Finance Plan, and upon the adoption of any amendment thereto, the TIRZ Project and Finance Plan, as amended, shall replace **Exhibit E** attached hereto, and said TIRZ Project and Finance Plan shall be incorporated into this Agreement for all purposes.

3.3 Construction of the Improvements and Ownership of the Public Infrastructure.

(a) Construction Plans. During each Phase of the development of the Property, the Developer shall prepare, or cause to be prepared, plans and specifications for the Developer Improvements included in such Phase and have them submitted to the City for approval in accordance with this section. The City shall have thirty (30) business days from its receipt of the first submittal of construction and/or engineering plans to approve or deny the plans or to provide comments back to the submitter of the plans. If any approved construction and/or engineering

plans are amended or supplemented, the City shall have fifteen (15) business days from its receipt of such amended or supplemented plans to approve or deny the plans or to provide comments back to the submitter of the plans. Any written City approval or denial must be based on compliance with applicable City Regulations. Moreover, Developer shall submit final plat(s) for the Property to the City for its review, which such submittal process shall remain subject to the same timelines set forth above. Final plat(s) for the Property, each of which are required to be approved by the City, shall reflect the locations, rights-of-way and easements for the Improvements to be located on such platted portion of the Property. If any provision in this paragraph conflicts with any other provision in this Agreement, this paragraph controls.

(b) Construction Standards and Inspection. The Public Infrastructure will be installed within the public right-of-way or in easements granted to the City. The Public Infrastructure shall be constructed and inspected in accordance with applicable state law, City Regulations, and all other applicable development requirements, including those imposed by any other governing body or entity with jurisdiction over the Public Infrastructure.

(c) Ownership. All of the Public Infrastructure shall be owned by the City upon acceptance of the same by the City using procedures established by City Regulations. The City agrees that acceptance of the Public Infrastructure shall occur upon the completion of the installation of such Public Infrastructure. The Developer agrees to take any action reasonably required by the City where applicable to transfer or otherwise dedicate easements for the Public Infrastructure to the City and the public.

3.4 Operation and Maintenance of Public Infrastructure.

(a) Upon inspection, approval, and acceptance of part or all of the water or sewer Public Infrastructure, the City shall maintain and operate the accepted water and sewer infrastructure and provide water and/or sewer service to the Property served by the accepted water and/or sewer infrastructure pursuant to the City Regulations.

(b) Upon inspection, approval, and acceptance of part or all of the roadway or storm water Public Infrastructure, the City shall maintain and operate the accepted roadways and storm water infrastructure pursuant to the City Regulations.

(c) The Developer will construct and each respective Owners' Association shall maintain and operate the open spaces, common areas, right-of-way irrigation systems, right-of-way landscaping, screening walls, drainage areas, detention areas and any other common improvements, appurtenances or Amenities not maintained and operated by the City.

ARTICLE IV TIRZ

4.1 Tax Increment Reinvestment Zone. Within six (6) months of the Effective Date, the City will take such lawful steps as are necessary to create the TIRZ. The boundary of the TIRZ will include the entirety of the Property. The TIRZ shall exist from the date of formation until the termination or expiration of this Agreement in accordance with ARTICLE IX herein (the "TIRZ").

Term”). During the Term of this Agreement and the TIRZ Term, the City shall dedicate to the TIRZ an increment equal to fifty percent (50%) of the City Maintenance and Operation (M&O) ad valorem tax actually collected from property (collectively, the “City Increment”), and the base tax year shall be 2022. The City will use commercially reasonable efforts to obtain the County’s participation in the TIRZ in an amount equal to fifty percent (50%) of the County’s M&O ad valorem tax actually collected from the TIRZ property (the “County Increment”) with a base year of 2022; provided, however, Developer and the City both acknowledge and agree that the County’s participation in the TIRZ is may vary, and there is no assurance that the County will participate in the TIRZ at all, let alone at the level of the County Increment. The City shall prepare the preliminary TIRZ Project and Finance Plan which will provide a general description of the TIRZ Projects and estimated Project Costs of the TIRZ Projects, an estimate of ad valorem taxes to be generated by development within the TIRZ, and the estimated increment to be generated by TIRZ over the TIRZ Term. On or before thirty (30) days after receipt and approval by the City and the Developer of final plans and costs for the construction of the TIRZ Projects, the City and the TIRZ shall cause a final TIRZ Project and Finance Plan to be prepared and approved with a detailed description of the scope of the TIRZ Projects, the estimated Project Costs, and the timing of payment for the costs of the TIRZ Projects. The TIRZ, acting through its Board of Directors, and the Developer shall negotiate and enter into an agreement for reimbursement to the Developer for Project Costs consistent with the terms and conditions of this Agreement.

4.2 TIRZ Priority. Payouts of the moneys in the TIRZ Fund are contingent upon the City adopting a final TIRZ Project and Finance Plan for the TIRZ consistent with the terms and conditions of this Agreement. Upon the adoption of a final TIRZ Project and Finance Plan, the moneys in the TIRZ Fund shall be paid in the following priority on an annual basis: (i) to the City in an amount equal to the Administrative Expenses incurred operating the TIRZ; (ii) to the County in an amount equal to its Administrative Expenses incurred operating the TIRZ, but only to the extent that the County participates in the TIRZ whatsoever; (iii) to remit the remainder of such monies from the TIRZ Fund to the MUD to pledge as collateral for the MUD’s issuance of bonds to reimburse Developer for its Project Costs actually incurred in designing, constructing, installing and developing the TIRZ Projects and to pay Developer an economic development grant with any remaining increment contributed to the TIRZ Fund or to directly reimburse Developer for eligible projects identified in the adopted Project and Financing Plan for the TIRZ at the request of the MUD. Payment shall be made by the TIRZ Administrator to the MUD upon submission of required documentation by the MUD and approval of the City’s TIRZ Administrator. All of the City’s and the County’s Administrative Expenses associated with the TIRZ will be paid in accordance with Chapter 311 of the Texas Tax Code, as amended, and neither the City nor the County will be responsible for payment of such costs.

4.3 TIRZ Fund. In accordance with the TIRZ Project and Finance Plan, the tax increment obtained from the Property based on the participation levels set forth in Section 4.1 above shall be placed into the TIRZ Fund, a separate fund which has been created by the City.

ARTICLE V

FORMATION OF OWNERS’ ASSOCIATION

The Developer will create an Owners' Association within the Property, which shall be required to levy and collect from each End-Buyer annual fees in an amount calculated to maintain the Amenities, open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping, detention areas, drainage areas, screening walls and all other improvements for which the Owners' Association is responsible for maintaining within the Property. Common areas, including but not limited to all landscaped entrances to the Property and right-of-way landscaping, shall be maintained solely by the Owners' Associations. To the extent applicable, maintenance of public rights-of-way by the Owners' Association shall comply with City Regulations and shall be subject to oversight by the City. The Parties shall cooperate with each other to execute documents necessary to give the Owners' Association permission to maintain and operate facilities on City-owned property as necessary.

ARTICLE VI

INSPECTION AND PERMITTING

The City shall inspect or cause to be inspected, as required by City Regulations, the construction of all Developer Improvements, structures, and any infrastructure improvements necessary to support the proposed development within the Property, including, without limitation, water, sanitary sewer, drainage, streets, park facilities, electrical, and street lights and signs. The City's inspections shall not release the Developer from its responsibility to construct, or ensure the construction of, the Developer Improvements and Developer Infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to development of the Property.

If the City finds that such Developer Infrastructure has been completed in accordance with the final plats and specifications approved by the City (or any modifications thereof approved by the City), and in accordance with all other applicable laws and City Regulations, the City shall accept the Developer Infrastructure whereupon ownership of such Developer Infrastructure shall be transferred to the City and be operated and maintained by the City at its sole expense. The requirement for acceptance does not apply to landscaping improvements and other Amenities that will be maintained by the Owners' Association.

ARTICLE VII

DEVELOPMENT

7.1 Full Compliance with City Standards.

(a) Development of the Property shall be subject to the City Regulations, except to the extent that the Concept Plan, attached as **Exhibit C**, and the PD may vary from those terms, then the Concept Plan and the PD control. In consideration of the foregoing, in the construction, renovation, maintenance and alteration of any existing or future building on the Property, the Developer shall not use or install, or permit the use or installation of, any building product or material or aesthetic method that does not comply with the City Regulations, including without limitation, the PD, notwithstanding any conflicting provision of Chapter 3000 of the Texas Government Code, as it exists or may be amended. Developer voluntarily consents and agrees to comply with this Agreement, and the City Regulations in the construction, renovation, maintenance and alteration of any existing or future building on the Property.

(b) Any revision to the Concept Plan, if approved by the City, shall be considered an amendment to **Exhibit C** to this Agreement, and shall replace the attached Concept Plan and become a part of this Agreement.

7.2 Replat. The Parties acknowledge that the Property will be developed in Phases. The Developer may submit a replat for all or any portion of the Property throughout the development of the Property. Any replat shall be in general conformance with the Concept Plan. Approval of the replat shall be governed by the City Regulations and state law.

7.3 Zoning of Property. Currently, the Property is zoned in accordance with the PD. Through this Agreement, the Developer expressly consents and agrees to the zoning of the Property consistent with and as contemplated by the PD and this Agreement.

7.4 Conflicts. In the event of any conflict between this Agreement and any City Regulation, this Agreement, including any exhibit or attachment, shall control.

ARTICLE VIII

DEVELOPMENT PROCESS AND CHARGES

8.1 Development, Review and Fees. Development of any portion of the Property shall be subject to payment to the City of the applicable fees according to the City Regulations, including without limitation fees relating to platting, zoning requests, and any other charges and fees not expressly exempted or altered by the terms of this Agreement. This Agreement does not waive any of the City's right to: (i) assess, levy, or collect fees for park, recreation, and open space facilities and purposes in connection with the development of the Property; (ii) require one or more dedications of land for such purposes in lieu of assessing, levying, or collecting such fees for park, recreation, and open space facilities; (iii) assess or collect roadway, water, and wastewater Impact Fees in compliance with Chapter 395 of the Texas Local Government Code; or (iv) assess or collect inspection fees and charges relating to the development of the Property. The Developer shall continue to be responsible for the foregoing, and nothing contained in this Agreement shall be construed to eliminate or reduce any such obligations that the Developer might incur in connection with developing the Property.

8.2 Infrastructure. All Public Infrastructure shall be designed, constructed and installed in compliance with the City Regulation's in effect at the time the Developer seeks approval of the plans associated with any component of the Public Infrastructure. Construction and/or installation of Public Infrastructure shall not begin until complete and accurate plans and specifications have been approved by the City as specified in this Agreement. Each of such contracts shall require a one-year maintenance bond following completion, which bond shall run in favor of the Party responsible for maintenance of the completed Public Infrastructure. The Public Infrastructure will be installed within the public right-of-way or in easements granted to the City.

8.3 INDEMNIFICATION AND HOLD HARMLESS.

(a) THE DEVELOPER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY FROM AND AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF

USE), LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS INDEMNITY) CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENT, GROSSLY NEGLIGENT OR INTENTIONALLY WRONGFUL ACT OR OMISSION OF THE DEVELOPER OR THE DEVELOPER'S OFFICERS, DIRECTORS, PARTNERS CONTRACTORS, SUBCONTRACTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, TRUSTEES, LICENSEES, INVITEES OR ANY OTHER THIRD PARTY FOR WHOM THE DEVELOPER IS LEGALLY RESPONSIBLE, IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT AND/OR ARISING OUT OF GOODS OR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OF THE CITY (HEREINAFTER "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST THE CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN THE DEVELOPER AND THE DEVELOPER'S EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT OR SEPARATION FROM EMPLOYMENT WITH THE DEVELOPER, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS' COMPENSATION INSURANCE AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. THE DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND THE CITY AGAINST ALL SUCH CLAIMS.

(b) IN ITS SOLE DISCRETION, THE CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY THE DEVELOPER IN FULFILLING THE DEVELOPER'S OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY THE CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY THE CITY IN WRITING. THE CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, THE CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY THE CITY IS NOT TO BE CONSTRUED AS A WAIVER OF THE DEVELOPER'S OBLIGATION TO DEFEND THE CITY OR AS A WAIVER OF THE DEVELOPER'S OBLIGATION TO INDEMNIFY THE CITY PURSUANT TO THIS AGREEMENT. THE DEVELOPER SHALL RETAIN

THE CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF THE CITY'S WRITTEN NOTICE THAT THE CITY IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF THE DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, THE CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND THE DEVELOPER SHALL BE LIABLE FOR ALL COSTS INCURRED BY THE CITY.

(c) THE RIGHTS AND OBLIGATIONS CREATED BY THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE IX **TERM**

The term of this Agreement shall be for a period of twenty-five (25) years. If allowed by law, the Parties may extend the term of this Agreement beyond the term set forth above if they execute an agreement in writing.

ARTICLE X **EVENTS OF DEFAULT; REMEDIES**

10.1 Events of Default. No Party shall be in default under this Agreement until Notice of the alleged failure of such Party to perform has been given in writing (which Notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event more than 60 days (or any longer time period to the extent expressly stated in this Agreement as relates to a specific failure to perform, including, but not limited to a force majeure event) after written notice of the alleged failure has been given except as relates to a type of default for which a different time period is expressly set forth in this Agreement). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the Notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within 30 days after it is due.

10.2 Remedies. If a Party remains in default after the applicable cure period as provided in Section 10.1 of this Agreement, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, terminate this Agreement and seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief.

10.3 Cessation of Compliance. As a matter of law, a city by contract cannot bind its current or future city councils in the exercise of the council's legislative discretion or the performance of its legislative functions, which include the zoning of property and the establishment of TIRZs. Nonetheless, the Developer has spent a substantial sum to negotiate, implement, and comply with this Agreement and Developer expects and relies on the City to take appropriate actions to create the TIRZ that are described in this Agreement. If the current or a future City Council of the City does not establish or operate the TIRZ as described in this

Agreement, then the Developer shall have no further obligation to comply with any of the terms of this Agreement until such time as the City Council takes appropriate actions to have the City resume compliance with its obligations under this Agreement. If the City resumes its compliance with its obligations under this Agreement, the Developer shall have up to ninety (90) days to resume its compliance with this Agreement.

ARTICLE XI

ASSIGNMENT AND ENCUMBRANCE

11.1 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties. The Developer and any Assignee have the right (from time to time) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Developer under this Agreement to any person or entity (an "Assignee") (a) without City consent, but with Notice to the City, if the Assignee is a lienholder; or (b) with the City's prior written consent (which consent may be withheld in the City's sole and absolute discretion), if to any other person or entity. Any receivables due under this Agreement, any construction funding agreement, any reimbursement agreement (pursuant to Section 372.023(d-1) of the Texas Local Government Code), or any TIRZ agreement may not be assigned by the Developer without the prior written consent of the City. The Developer may not collaterally assign the TIRZ receivables as collateral for any development loan without obtaining the City's prior written consent, and the Developer may not execute such documents and contracts as necessary to effectuate such loans or financings without the prior written consent of the City. An Assignee shall be considered a "Party" for the purposes of this Agreement. No assignment by the Developer shall release the Developer from any liability that resulted from an act or omission by the Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing. The Developer shall maintain written records of all assignments made by the Developer to Assignee, including a copy of each executed assignment and the Assignee's notice information as required by this Agreement, and, upon written request from the City, any Party or Assignee, shall provide a copy of such records to the requesting person or entity.

11.2 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement without the Developer's prior written consent, which consent shall not be unreasonably withheld.

11.3 Assignees as Parties. An Assignee approved or authorized in accordance with this Agreement and for which Notice of assignment has been provided in accordance with Section 13.5 of this Agreement shall be considered a "Party" for the purposes of this Agreement. With the exception of an End-Buyer of a Fully Developed and Improved Lot within the Property, any person or entity upon becoming an owner of land within the TIRZ or upon obtaining an ownership interest in any part of the Property shall be deemed to be an owner and have all of the obligations of the Developer as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest. Subject to the limitations expressed below, this Agreement and the obligations and liabilities arising under this Agreement shall be released automatically as to each End-Buyer of a Fully Developed and Improved Lot; provided, however, that no such conveyance of a Fully Developed and Improved Lot shall release Developer from its obligations hereunder,

and each End-Buyer shall remain responsible for payment of Assessments associated with ownership of each End-Buyer's respective Fully Developed and Improved Lot. Any third party, including without limitation any title company, grantee or lienholder, shall be entitled to rely on the existence or nonexistence of a recorded affidavit to establish whether such termination has occurred as to a lot.

11.4 No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

11.5 Notice of Assignment of this Agreement. Notwithstanding anything to the contrary in this Agreement, the following requirements shall apply in the event that the Developer sells, assigns, transfers, or otherwise conveys any of its rights or benefits under this Agreement:

(a) within 30 days after the effective date of any such sale, assignment, transfer, or other conveyance, the Developer must provide written Notice of same to the City;

(b) the Notice must describe the extent to which any rights or benefits under this Agreement have been sold, assigned, transferred, or otherwise conveyed;

(c) the Notice must state the name, mailing address, and telephone contact information of the person(s) acquiring any rights or benefits as a result of any such sale, assignment, transfer, or other conveyance; and

(d) the Notice must be signed by a duly authorized person representing the Developer.

ARTICLE XII **RECORDATION AND ESTOPPEL CERTIFICATES**

12.1 Binding Obligations. This Agreement and all amendments hereto (including amendments to the Concept Plan as allowed in this Agreement) and assignments hereof shall be recorded in the deed records of Grayson County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any End-Buyer of a Fully Developed and Improved Lot except for land use and development regulations that apply to such lots.

12.2 Estoppel Certificates. From time to time upon written request of the Developer or any future owner, and upon the payment of a \$100.00 fee to the City, the City Manager, or his/her designee will, in his official capacity and to his reasonable knowledge and belief, execute a written estoppel certificate identifying any obligations of an owner under this Agreement that are in default.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

13.1 Recitals. The recitals contained in this Agreement: (i) are true and correct as of the Effective Date; (ii) form the basis upon which the Parties negotiated and entered into this Agreement; (iii) are legislative findings of the City Council of the City; and (iv) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

13.2 Notices. Any Notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within twenty-four (24) hours after such transmission) or seventy-two (72) hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:

Attn: City Manager
City of Sherman
220 W. Mulberry Street
Sherman, TX 75090

With a copy to: Attn: Robert H. Roeder and Kris Kearney
Abernathy, Roeder, Boyd & Hullett, P.C.
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069

To the Developer:

Attn: Tom Johnson
c/o Covenant Development
5523 W Houston Street
Sherman, Texas 75092
903-893-8500

With a copy to: Attn: Mindy Koehne
 14755 Preston Road
 Suite 600
 Dallas, Texas 75254
 972-982-8461

Any Party may change its address or addresses for delivery of Notice by delivering written Notice of such change of address to the other party.

13.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

13.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

13.5 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, Notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

13.6 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

13.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (i) such unenforceable provision shall be deleted from this Agreement; (ii) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (iii) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

13.8 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Grayson County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Grayson County District Court.

13.9 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

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

13.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

13.12 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

- | | |
|-----------|----------------------------------|
| Exhibit A | Metes and Bounds of the Property |
| Exhibit B | Property Depiction |
| Exhibit C | Concept Plan |
| Exhibit D | Public Infrastructure |
| Exhibit E | TIRZ Projects |

13.13 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

13.14 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after a Party has actual knowledge of the occurrence of a force majeure event, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure", as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas, or any civil or military authority, insurrections, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, drought, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, and any other incapacities of any party, whether similar to those enumerated or otherwise, which are not within the control of the party claiming such inability, which such party could not have avoided by the exercise of due diligence and care and which the party is proceeding promptly to cure. 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 requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable to it in the judgment of the party having the difficulty.

13.15 Entire Agreement. This Agreement, including its exhibits and documents executed in accordance with this Agreement, constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement.

13.16 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the Parties expressly amending the terms of this Agreement.

13.17 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

ARTICLE XIV **ACKNOWLEDGEMENTS AND WAIVERS**

14.1 Acknowledgement of the City's Compliance with Federal and State Constitutions, Statutes and Case Law and Federal, State and Local Ordinances, Rules and Regulations; Developer's Waiver and Release of Claims For Obligations Imposed by this Agreement.

(a) DEVELOPER ACKNOWLEDGES AND AGREES THAT:

- (i) THE OBLIGATIONS REQUIRED BY THIS AGREEMENT TO BE PERFORMED BY THE DEVELOPER, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:**
 - (A) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;**
 - (B) VIOLATION OF THE TEXAS WATER CODE, AS IT EXISTS OR MAY BE AMENDED;**
 - (C) VIOLATION OF THE TEXAS GOVERNMENT CODE, INCLUDING CHAPTER 3000, AS IT EXISTS OR MAY BE AMENDED;**
 - (D) NUISANCE; OR**
 - (E) CLAIM FOR DAMAGES OR REIMBURSEMENT AGAINST THE CITY FOR A VIOLATION OF ANY FEDERAL OR STATE CONSTITUTION, STATUTE OR CASE LAW OR ANY FEDERAL, STATE OR LOCAL ORDINANCE, RULE OR REGULATION.**
- (ii) THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE CITY FROM AND AGAINST ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO, THE DEVELOPER'S PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEEES OR TRUSTEES, BROUGHT PURSUANT TO THIS SECTION.**

(b) THE DEVELOPER RELEASES THE CITY FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED ON EXCESSIVE OR ILLEGAL EXACTIONS.

(c) THE DEVELOPER WAIVES ANY CLAIM FOR DAMAGES OR REIMBURSEMENT AGAINST THE CITY FOR A VIOLATION OF ANY FEDERAL OR STATE CONSTITUTION, STATUTE OR CASE LAW OR ANY FEDERAL, STATE OR LOCAL ORDINANCE, RULE OR REGULATION.

(d) THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

14.2 Vested Rights/Chapter 245 Waiver. The Parties shall be subject to all ordinances of the City, whether now existing or in the future arising. This Agreement shall confer no vested rights on the Property, or any portion thereof, unless specifically enumerated herein. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides the City with fair notice of any project of the Developer. **THE DEVELOPER WAIVES ANY STATUTORY CLAIM UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, UNDER THIS AGREEMENT. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

14.3 Condemnation Procedures/Rights Waiver. **AS ADDITIONAL CONSIDERATION FOR THE BENEFITS THE DEVELOPER IS RECEIVING UNDER THIS AGREEMENT, DEVELOPER HEREBY RELEASES THE CITY FROM AND AGAINST, AND WAIVES, ANY ALL RIGHTS TO OR CLAIM FOR ANY RELIEF UNDER CHAPTER 2206 OF THE TEXAS GOVERNMENT CODE, AS AMENDED, AND/OR CHAPTER 21 OF THE TEXAS PROPERTY CODE, AS AMENDED, ARISING OUT OF ANY ACTS OR OMISSIONS UNDER THIS AGREEMENT.**

[signatures on following pages]

EXECUTED by the City and Developer on the respective dates stated below.

Date: 8.2.2021

CITY OF SHERMAN

By: _____

David Plyler, Mayor

ATTEST:

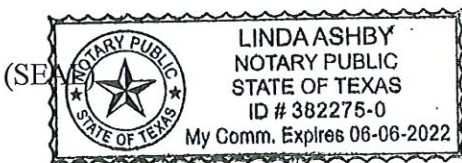
Linda Ashby
Linda Ashby, City Clerk

APPROVED AS TO FORM

R. D. Pittman
Ryan D. Pittman, Attorney for the City

STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the 2nd day of August, 2021 by David Plyler of the City of Sherman, Texas on behalf of said City.



Linda Ashby
Notary Public, State of Texas

Linda Ashby
Name printed or typed

Commission Expires: 6/6/2022

DEVELOPER

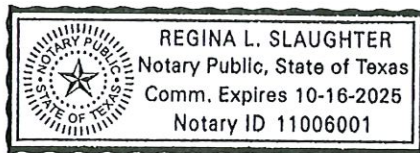
TPJ PROPERTIES, LTD.,
a Texas limited partnership

By: Johnson River LLC,
a Texas limited liability company
its General Partner

By: [Signature]
Name: Tom Johnson
Its: President

STATE OF TEXAS §
 §
COUNTY OF Grayson §

This instrument was acknowledged before me on the 5th day of October, 2021 by Tom Johnson, President of Johnson River LLC, a Texas limited liability company, General Partner of TPJ Properties, Ltd., a Texas limited partnership, on behalf of said limited partnership.



[Signature]
Notary Public, State of Texas

EXHIBIT A
Property Metes and Bounds
Helvey-Wagner Surveying, Inc.

222 W. Main Street Denison, Texas 75020
Ph: (903) 463-6191 · Fax: (903) 463-4088 · Email: helveysurvey@cableone.net
TBPLS Firm Registration No. 10088100
Kate A. Wagner, RPLS No. 6578 - Billy F. Helvey, RPLS No. 4488

FIELD NOTES
173.916 Acres

SITUATED in the County of Grayson, State of Texas, and being a part of the Uriah Burns Survey, Abstract No. 121, and John Jennings Survey, Abstract No. 647, and being part of the 184.50 acre tract of land conveyed by Warranty Deed with Vendor's Lien from John H. Becker, Jr., Trustee, and Amy H. Fennell, Co-Trustee of the Hugh L. Head, Jr., Revocable Trust, to TPJ Properties, LTD, on February 15, 2002, recorded in Volume 3203, Page 464, Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a spike nail found in or near the center of Plainview Road, an Ell corner of said Burns Survey, the Southwest corner of the Alexander and Richards Survey, Abstract No. 42, the Northwest corner of said TPJ 184.50 ac., the East line of Heritage Ranch Land Holdings, LTD 254.489 acre tract of land, recorded in Instrument No. 2020-19193, said Official Public Records, Grayson County, Texas, the Southwest corner of Astoria Homes, LLC 100.832 acre tract of land (Tract I), recorded in Instrument No. 2020-30762, said Official Public Records, Grayson County, Texas, the Northwest corner of the herein described tract;

THENCE South 88 deg. 00 min. 43 sec. East, with the North lines of both said Burns Survey and TPJ 184.50 ac., the South lines of both said Richards Survey and Astoria 100.832 ac., a distance of 1,495.81 ft. to a point at the Northwest corner of BMT Global, LLC 37.08 acre tract of land (Tract Two), recorded in Instrument No. 2018-12534, said Official Public Records, Grayson County, Texas, an Ell corner of said Burns Survey, the South line of said Richards Survey, the Northwest corner of said Jennings Survey, the most Northerly Northeast corner of both said TPJ 184.50 ac. and the herein described tract;

THENCE South 01 deg. 25 min. 51 sec. West, with East lines of both said Burns Survey and TPJ 184.50 ac., the West line of both said Jennings Survey and BMT 37.08 ac., a distance of 1,687.83 ft. to a 1/2 inch rebar found on the East line of said Burns Survey, the West line of said Jennings Survey, the Southwest corner of Melissa Smith Murray, et al "called" 58.42 acre tract of land, recorded in Volume 4413, Page 186, said Official Public Records, Grayson County, Texas, an Ell corner of both said TPJ 184.50 ac. and the herein described tract;

THENCE South 88 deg. 22 min. 24 sec. East, with a North line of said TPJ 184.50 ac., the South line of said Murray 58.42 ac., a distance of 1,909.01 ft. to a 1/2 inch rebar found at the Northwest corner of Legacy Title Holding Corp. 9.71 acre tract of land, recorded in Volume 5581, Page 396, said Official Public Records, Grayson County, Texas, the South line of said Murray 58.42 ac., the most Southerly Northeast corner of both said TPJ 184.50 ac. and the herein described tract;

THENCE South 25 deg. 37 min. 12 sec. East, with an East line of said TPJ 184.50 ac., the West line of said Legacy 9.71 ac., a distance of 1,234.96 ft. to a concrete nail found in or near the center of Canyon Grove Road, the South line of said Jennings Survey, the North line of the J. B. McAnair Survey, Abstract No. 763, the Southwest corner of said Legacy 9.71 ac., the Southeast corner of both said TPJ 184.50 ac. and the herein described tract;

THENCE South 75 deg. 51 min. 38 sec. West, with or near the center of said Canyon Grove Road, the South line of said Jennings Survey, the North line of said McAnair Survey, a South line of said TPJ 184.50 ac., a distance of 1,284.66 ft. to a point at an Ell corner of said TPJ 184.50 ac. and the herein described tract;

THENCE North 03 deg. 51 min. 00 sec. West, continuing with a South line of said TPJ 184.50 ac., a distance of 17.20 ft. to a point at an Ell corner of both said TPJ 184.50 ac. and the herein described tract;

Continued from Page 1

THENCE South 75 deg. 46 min. 55 sec. West, continuing with a South line of said TPJ 184.50 ac., a distance of 778.89 ft. to a point at the intersection of the North right-of-way line of U. S. Highway No. 82 and said Canyon Grove Road, an angle point of both said TPJ 184.50 ac., and the herein described tract;

THENCE Northwesterly, with a curve to the right having a radius of 5,579.68 ft., a central angle of 04 deg. 45 min. 50 sec., (Chord Bears: North 86 deg. 01 min. 55 sec. West, 463.80 ft.) an arc distance of 463.93 ft. to a point on the North right-of-way line of said Highway 82, an angle point of both said TPJ 184.50 ac. and the herein described tract;

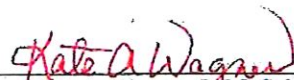
THENCE North 83 deg. 39 min. 00 sec. West, continuing with the North right-of-way line of said Highway 82, a South line of said TPJ 184.50 ac., a distance of 892.95 ft. to a point on the North right-of-way line of said Highway 82, a South line of said TPJ 184.50 ac., the most Southerly Southwest corner of the herein described tract;

THENCE North 01 deg. 03 min. 03 sec. East, over and across said TPJ 184.50 ac., a distance of 798.17 ft. to a point at an Ell corner of the herein described tract;

THENCE North 88 deg. 56 min. 57 sec. West, continuing over and across said TPJ 184.50 ac., a distance of 602.69 ft. to a point in or near the center of said Plainview Road, the West line of said TPJ 184.50 ac., the East line of said Heritage 254.489 ac., the most Northerly Southwest corner of the herein described tract;

THENCE North 01 deg. 03 min. 03 sec. East, with or near the center of said Plainview Road, the West line of said TPJ 184.50 ac., the East line of said Heritage 254.489 ac., a distance of 2,455.35 ft. to the **PLACE OF BEGINNING** and containing 173.916 ACRES of land.




Kate A. Wagner, R.P.L.S. No. 6578
March 12, 2021

482

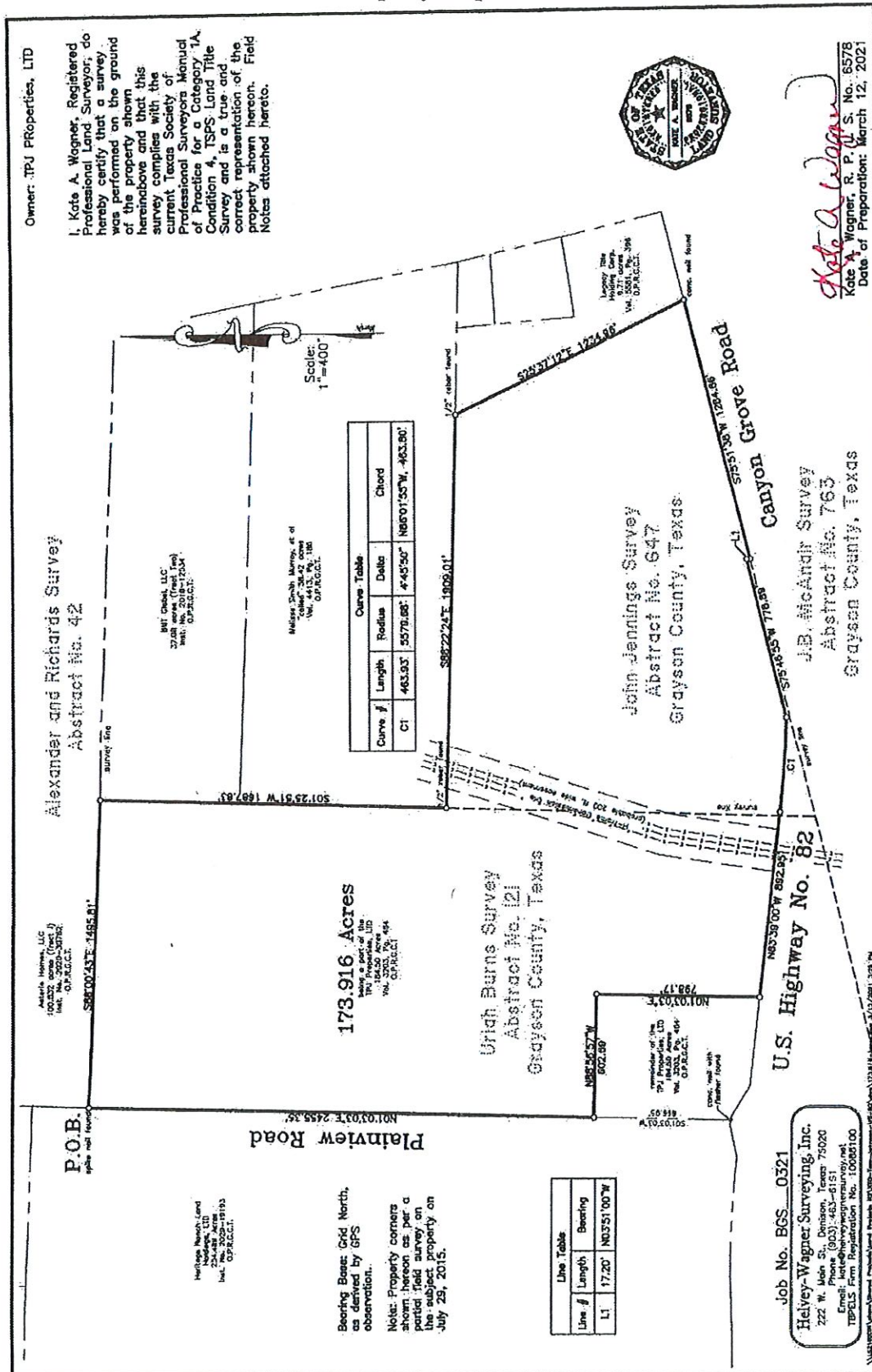


EXHIBIT C Concept Plan

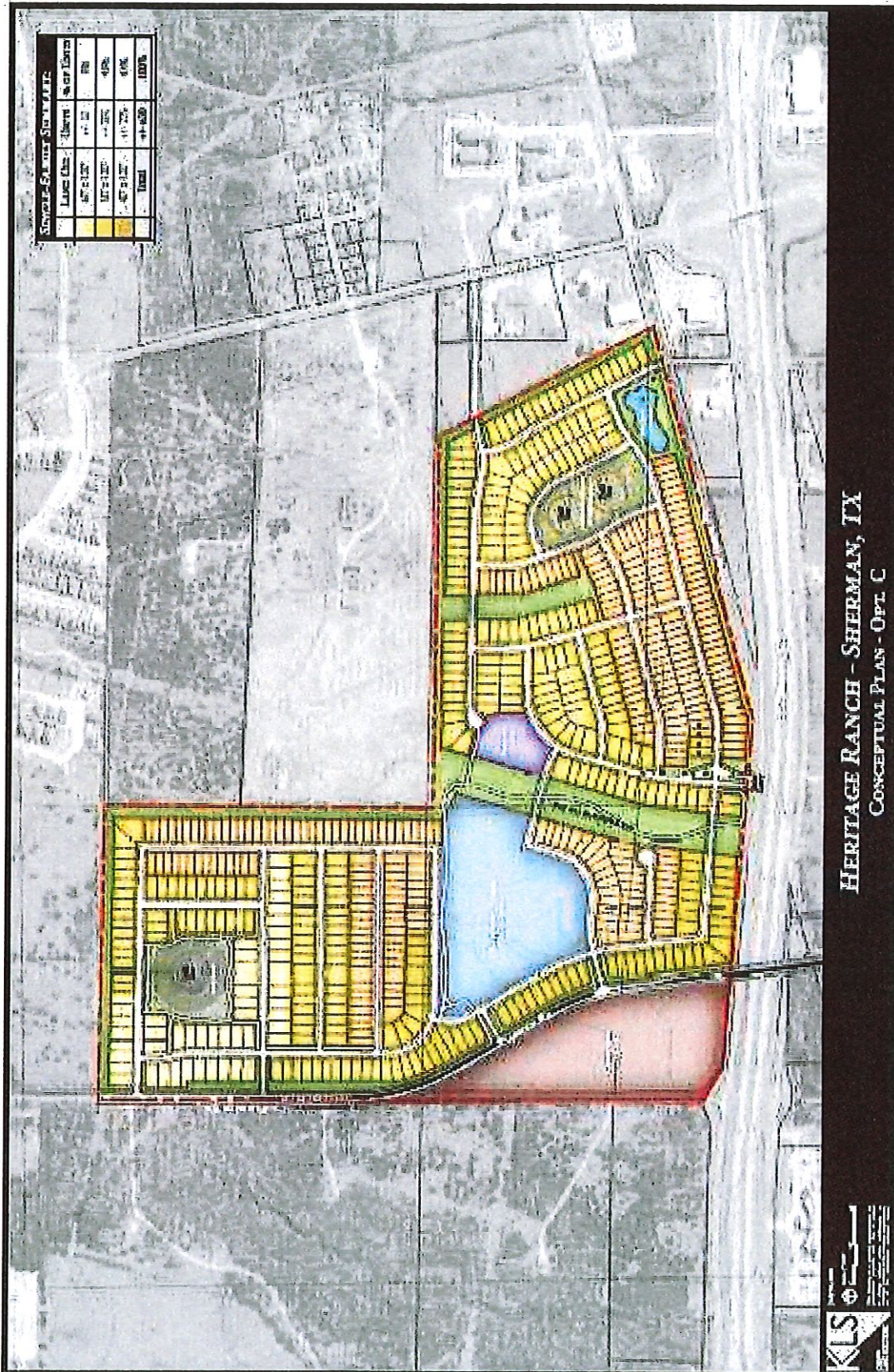
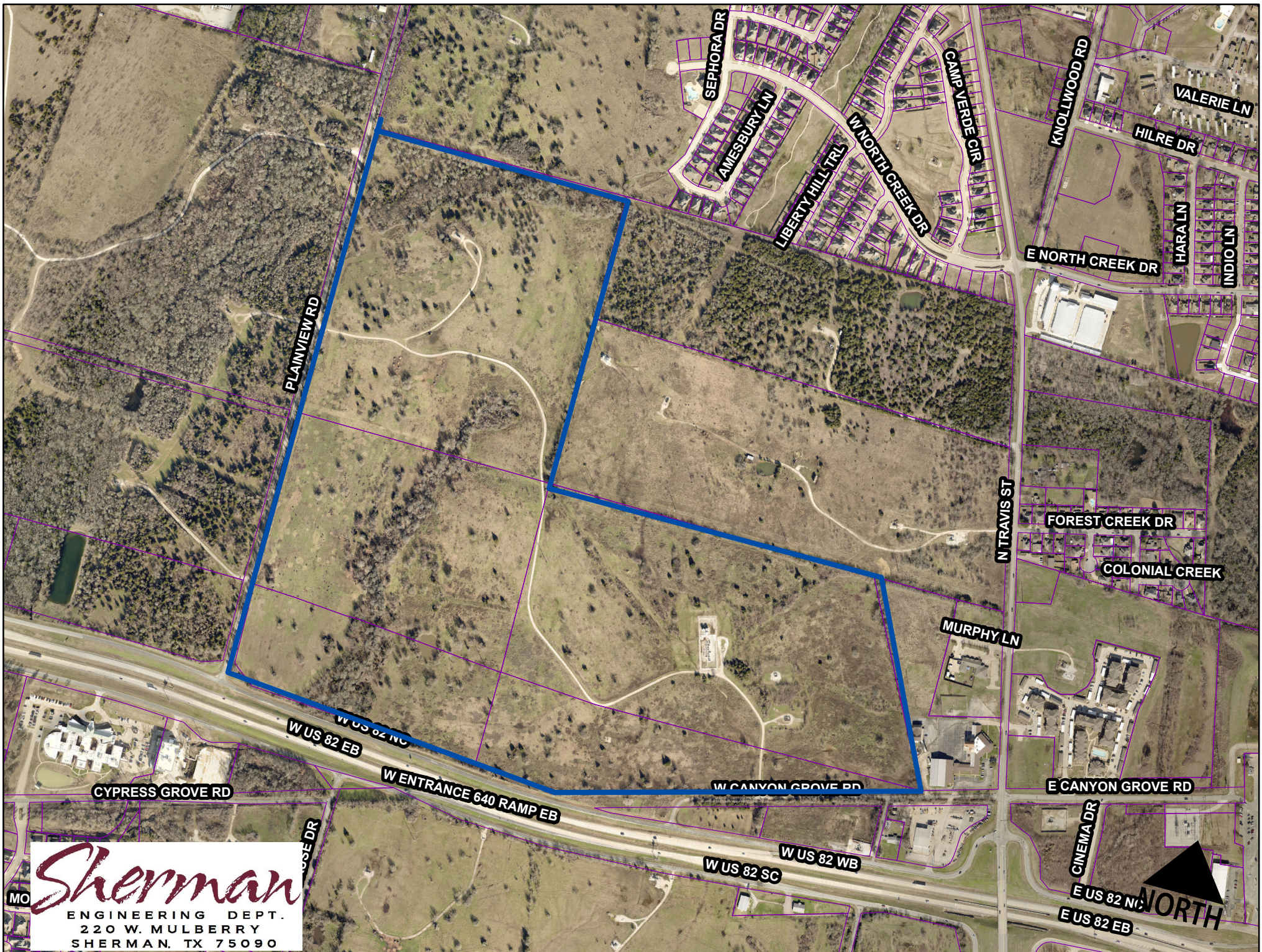


EXHIBIT D
Public Infrastructure

[To be provided.]

EXHIBIT E
TIRZ Projects

[To be provided.]



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



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 2.

Meeting Date: 02/21/2022

Prepared By: Wayne Lee, Director of Engineering

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6849

Authorizing Execution of a Professional Services Agreement with Cobb, Fendley & Associates, Inc. for the South Friendship Road and Pleasant Home Road Alignment Studies

Issue:

To consider a contract for professional services with Cobb, Fendley & Associates, Inc. for the South Friendship Road and Pleasant Home Road Alignment Studies.

Background:

South Friendship Road and Pleasant Home Road are part of the City's Master Thoroughfare plan and are ultimately to be a four lane divided arterial roadways. This professional services contract will provide an alignment study and 30% engineering design for approximately 11,600 feet of Friendship Road from SH 56 to O.B. Groner Road, and approximately 8,500 feet of Pleasant Home Road from Riddles Road to the intersection of FM 1417 and Park Avenue. This will assist with setting the right-of-way requirements needed for these two thoroughfares as development continues to occur and plats are submitted on the west side of the City. This may also help establish where the water line easements can be best located for the future 36-inch water mains that need to be installed from the water treatment plant to the south side of the City.

Origination:

Engineering Department

Financial Consideration:

The total funding needed for this contract is \$573,705.00. This will be funded by Street Bond Funds.

Staff Recommendation:

Cobb, Fendley & Associates, Inc. is fully qualified to perform these services and staff has negotiated a reasonable fee for these services. It is recommended that the contract for professional services with Cobb, Fendley & Associates, Inc. for the alignment study and preliminary design of South Friendship Road and Pleasant Home Road be approved.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6849

Contract

Location Map

RESOLUTION NO. 6849

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH COBB, FENDLEY & ASSOCIATES, INC. FOR THE SOUTH FRIENDSHIP ROAD AND PLEASANT HOME ROAD ALIGNMENT STUDIES; 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 a Professional Services Agreement with Cobb, Fendley & Associates Inc. for the South Friendship Road and Pleasant Home Road Alignment Studies, 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 21st day of February, 2022.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
DAVID PLYLER, MAYOR

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

AGREEMENT

BETWEEN

THE CITY OF SHERMAN, TEXAS AND

COBB, FENDLEY & ASSOCIATES, INC.

FOR

PROFESSIONAL SERVICES

Made as of the _____ day of _____, 2022:

Between City: **The City of Sherman, Texas**
220 W. Mulberry Street
Sherman, Texas 75090
Telephone: (903) 892-7208

and Consultant: **Cobb, Fendley & Associates, Inc.**
2801 Network Boulevard, Suite 800
Frisco, TX 75034
Telephone: (972) 335-3214
Facsimile: (972) 335-3202

for the following Project: **South Friendship Road and Pleasant Home Road
Alignment Studies**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Sherman, Texas, a home-rule municipality ("City"), and Cobb, Fendley & Associates, Inc., a Texas corporation ("Consultant"), to be effective from and after the date as provided above. City and Consultant are at times each referred to herein as a "party" or collectively as the "parties."

WHEREAS, City desires to engage Consultant to provide professional civil engineering services for the South Friendship Road and Pleasant Home Road Alignment Studies Project ("Project"); and

WHEREAS, Consultant desires to render such professional services ("Services") for City on the terms and conditions provided herein.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

That for and in consideration of the covenants contained herein, for the mutual benefits to be obtained hereby and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 CONSULTANT'S SERVICES

- 1.1 **Employment of Consultant** – City hereby agrees to retain Consultant to perform the Services in connection with the Project. Consultant agrees to perform the Services in accordance with the terms and conditions of this Agreement. Consultant further agrees that if any employee of Consultant who is performing the day-to-day Services under this Agreement for the Project is separated, for any reason, from employment with Consultant, Consultant shall provide City with written notice thereof at least five (5) business days' prior to said separation unless circumstances reasonably warrant a shorter notice period, which shall not exceed two (2) business days following the separation.
- 1.2 **Scope of Services** – The parties agree that Consultant shall perform the Services as are set forth and described in **Exhibit A**, attached hereto and incorporated herein by reference for all purposes ("**Scope of Services**"). The parties understand and agree that deviations or modifications to the Scope of Services described in **Exhibit A**, in the form of a written amendment to this Agreement, may be authorized from time to time by City ("**Amendment(s)**").
- 121 **Requirement of Written Amendment** – "Extra" work, "claims" invoiced as "extra" work or "claims" which have not been issued as a duly executed, written Amendment by the Sherman Director of Engineering or designee will not be authorized for payment and/or shall not become part of this Agreement. A duly executed, written Amendment requiring additional funding of \$50,000 or more of the original contract amount shall require the Sherman City Council's authorization for the Sherman City Manager to execute said Amendment.
- 122 **CONSULTANT SHALL NOT PERFORM ANY "EXTRA" WORK AND/OR ADDITIONAL SERVICES WITHOUT A DULY EXECUTED, WRITTEN AMENDMENT ISSUED BY CITY.**
- 1.3 **Schedule of Work** – Consultant agrees to commence work immediately on the execution of this Agreement, and to proceed diligently with said work to completion as described in the Project Engineering Budget Summary, attached hereto as **Exhibit B-1** and incorporated herein by reference for all purposes.
- 1.4 **Standard of Care** – Consultant shall perform the Services required hereunder in accordance with the prevailing engineering standard of care by exercising the skill and care ordinarily utilized by engineers performing the same or similar services under the same or similar circumstances in the State of Texas.

ARTICLE 2 CITY'S RESPONSIBILITIES

City shall do the following in a timely manner so as not to delay the Services of Consultant:

- 2.1 **Project Data** – City shall furnish required information that is reasonably requested by Consultant and that City has in its possession at the time of Consultant's request, as expeditiously as necessary for the orderly progress of the Project, and Consultant shall be entitled to rely upon the accuracy and completeness of the information furnished by City under this Article 2.1.
- 2.2 **City Project Manager** – When necessary in City's sole discretion, City shall designate a representative authorized to act on City's behalf with respect to the Project ("Project Manager"). City, the Project Manager and/or his or her authorized designee shall examine the documents submitted by Consultant and shall render any required decisions pertaining thereto as soon as practicable to avoid unreasonable delay in the progress of Consultant's Services.

ARTICLE 3 CONSULTANT'S COMPENSATION

- 3.1 **Compensation for Consultant's Services** – As described in "Article 1, Consultant's Services" of this Agreement, compensation for this Project shall be:
(a) for Basic Services, on a lump sum basis in an amount not to exceed **FIVE HUNDRED SEVENTY-THREE THOUSAND SEVEN HUNDRED FIVE AND 00/100 DOLLARS (\$573,705.00)** ("Consultant's Fee"); and (b) paid in accordance with this Article 3 and the Project Design Budget Summary as set forth in **Exhibit B-1**.
- 3.1.1 **Consultation and Approval by Governmental Authorities and Franchised Utilities** – Consultant shall be solely responsible for identifying and analyzing the requirements of governmental agencies and all franchise utilities involved with the Project, and for consulting with such agencies and utilities to obtain all necessary approvals and/or permissions. Consultant shall be responsible for preparation and timely submittal of documents required for review, approval and/or recording by such agencies and/or utilities. Consultant shall be solely responsible for making such changes in the construction documents ("Construction Documents") as may be required by existing written standards promulgated by such agencies and/or utilities at no additional charge to City.
- 3.2 **Direct Expenses** – Direct Expenses ("Direct Expenses") are included in Consultant's Fee as described in Article 3.1 of this Agreement and include actual reasonable and necessary expenditures made by Consultant and Consultant's employees and subcontractors in the interest of the Project. All submitted Direct

Expenses are to be within the amounts as stated in the Project Engineering Budget Summary set forth in **Exhibit B-1**, and consistent with **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses, which is attached hereto and incorporated herein by reference for all purposes. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment for Services; provided, however, that this shall not be City's sole and exclusive remedy for said over-payment.

- 3.3 **Additional Services** – Consultant shall provide the Services as described in the Scope of Services set forth in **Exhibit A** of this Agreement. If authorized in writing by City, Consultant shall provide additional services, to be compensated as provided in an Amendment to the Contract on a cost not to exceed sum or hourly basis in accordance with this paragraph ("**Additional Services**") and a mutually agreed estimate of man-hours and expenses. These services may include, but are not limited to:
- 3.3.1 Additional meetings, hearings, work-sessions or other similar presentations which are not provided for or contemplated in the Scope of Services described in **Exhibit A**.
 - 3.3.2 Additional drafts and revisions to the Project which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.3 Additional copies of final reports and construction plans which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.4 Photography, professional massing models which are not provided for or contemplated in the Scope of Services as described in **Exhibit A**.
 - 3.3.5 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on direct billable labor rates and expenses.
 - 3.3.6 Compensation for Additional Services authorized by City shall be in addition to Consultant's Fee and shall be based on an hourly basis according to the personnel rates provided in **Exhibit B-2**. The rates set forth in this exhibit are subject to reasonable change provided prior written notice of said change is given to and approved by City.
- 3.4 **Invoices** – No payment to Consultant shall be made until Consultant tenders an invoice to City. Consultant shall submit monthly invoices for Services rendered, based upon the actual percentage of work complete at the time the invoice is prepared, or shall submit invoices to City immediately upon completion of each

individual task listed in **Exhibit B-1**. On all submitted invoices for Services rendered, Consultant shall include appropriate background materials to support the submitted charges on said invoice. Upon request, such background material may include, but is not limited to, employee timesheets, invoices for work obtained from other parties, and receipts and/or log information relating to Direct Expenses. All invoices shall provide a summary methodology for administrative markup and/or overhead charges.

- 3.5 **Timing of Payment** – City shall make payment to Consultant for said invoices within thirty (30) days following receipt and acceptance thereof. The parties agree that payment by City to Consultant is considered to be complete upon mailing of payment by City. Furthermore, the parties agree that the payment is considered to be mailed on the date that the payment is postmarked.
- 3.6 **Disputed Payment Procedures** – In the event of a disputed or contested billing by City, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. City shall notify Consultant of a disputed invoice, or portion of an invoice, in writing by the twenty-first (21st) calendar day after the date City receives the invoice. City shall provide Consultant an opportunity to cure the basis of the dispute. If a dispute is resolved in favor of Consultant, City shall proceed to process said invoice, or the disputed portion of the invoice, within the provisions of **Article 3.5** of this Agreement. If a dispute is resolved in favor of City, Consultant shall submit to City a corrected invoice, reflecting any and all payment(s) of the undisputed amounts, documenting the credited amounts, and identifying outstanding amounts on said invoice to aid City in processing payment for the remaining balance. Such revised invoice shall have a new invoice number, clearly referencing the previous submitted invoice. City agrees to exercise reasonableness in contesting any billing or portion thereof that has background materials supporting the submitted charges.
- 3.7 **Failure to Pay** – Failure of City to pay an invoice, for a reason other than on written notification as stated in the provisions of **Article 3.6** of this Agreement, to Consultant within sixty (60) days from the date of the invoice shall grant Consultant the right, in addition to any and all other rights provided, to, upon written notice to City, suspend performance under this Agreement, and such act or acts shall not be deemed a breach of this Agreement. However, Consultant shall not suspend performance under this Agreement prior to the tenth (10th) calendar day after written notice of suspension was provided to City, in accordance with Chapter 2251, Subchapter “D” of the TEX. GOV’T CODE. City shall not be required to pay any invoice submitted by Consultant if Consultant breached any provision(s) herein.
- 3.8 **Adjusted Compensation** – If the Scope of the Project (“**Scope of the Project**”) or if the Services are materially changed due to no error by Consultant in the performance of Services under this Agreement, the amounts of Consultant’s compensation shall be equitably adjusted as approved by City in its sole discretion. Any additional amounts paid to Consultant as a result of any material change to

the Scope of the Project shall be authorized by written Change Order duly executed by both parties before the Services are performed.

- 3.9 **Project Suspension** – If the Project is suspended or abandoned in whole or in part for more than three (3) months, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to suspension or abandonment. In the event of such suspension or abandonment, Consultant shall deliver to City all finished or unfinished documents, data, studies, drawings, maps, models, reports, photographs and/or any other items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment. If the Project is resumed after being suspended for more than three (3) months, Consultant's compensation shall be equitably adjusted as approved by City. Any additional amounts paid to Consultant after the Project is resumed shall be agreed upon in writing by both parties before the services are performed.

ARTICLE 4 OWNERSHIP OF DOCUMENTS

- 4.1 **Documents Property of City** – The Project is the property of City, and Consultant may not use the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any materials for any other purpose not relating to the Project without City's prior written consent. City shall be furnished with such reproductions of the Project, plans, data, documents, maps, and any other information as defined in **Exhibit A**. Upon completion of the work, or any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, Consultant will revise plans, data, documents, maps, and any other information as defined in **Exhibit A** to reflect changes while working on the Project through the date of completion of the work, as solely determined by City, or the effective date of any earlier termination of this Agreement under **Article 3** and/or **Article 8** of this Agreement, and promptly furnish the same to City in an acceptable electronic format. All such reproductions shall be the property of City who may use them without Consultant's permission for any purpose relating to the Project, including, but not limited to, completion of the Project, and/or additions, alterations, modifications, and/or revisions to the Project. Any reuse of the documents not relating to the Project, or use of modified or incomplete documents, shall be at City's own risk.
- 4.2 **Documents Subject to Laws Regarding Public Disclosure** – Consultant acknowledges that City is a governmental entity and that all documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or sub-consultants) under this Agreement are instruments of service in respect of the Project and property of City. Upon completion of the Project, all of the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared or furnished by

Consultant (and Consultant's professional associates and/or sub-consultants) shall thereafter be subject to the Texas Public Information Act (Chapter 552, TEX. GOV'T CODE, as amended) and any other applicable laws requiring public disclosure of the information contained in said documents.

ARTICLE 5

CONSULTANT'S INSURANCE REQUIREMENTS

- 5.1 **Required General Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Contractor Insurance Guidelines, which is attached hereto and incorporated herein by reference for all purposes, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a general liability insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall name City, its officers, agents, representatives, and employees as additional insureds as to all applicable coverage. Such policy shall provide for a waiver of subrogation against City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal or material modification of any policies, evidenced by return receipt or United States Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.2 **Required Professional Liability Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, a professional liability (errors and omissions) insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each claim, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal of any policies, evidenced by return receipt or United States Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.
- 5.3 **Required Workers Compensation Insurance** – Consistent with the terms and provisions of **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, all Statutory Workers Compensation Insurance as required by the laws of the State of Texas. Such insurance policy shall be with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent service(s), and is authorized to transact business

in the State of Texas. Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal of any policies, evidenced by return receipt or United States Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

- 5.4 **Circumstances Requiring Umbrella Coverage or Excess Liability Coverage** – If the Project's size and scope warrant, and if identified on the checklist located in **Exhibit E**, Consultant shall procure and maintain throughout the term of this Agreement, at no expense to City, an umbrella coverage or excess liability coverage insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), and is authorized to transact business in the State of Texas, in an amount of Two Million and 00/100 Dollars (\$2,000,000.00). Such policy shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, evidenced by return receipt or United States Mail. Consultant shall furnish City with certificates and required endorsement(s) evidencing such coverage prior to commencing work on the Project.

ARTICLE 6 CONSULTANT'S ACCOUNTING RECORDS

Records of Direct Expenses and expenses pertaining to services performed in conjunction with the Project shall be kept on the basis of generally accepted accounting principles. Invoices will be sent to City as indicated in Article 3.4 of this Agreement. Copies of employee time sheets, receipts for direct expense items and other records of Project expenses will be made available if requested.

ARTICLE 7 AUDITS AND RECORDS/VENDOR DISCLOSURE

Consultant agrees that at any time during normal business hours and as often as City may deem necessary, Consultant shall make available to representatives of City for examination all of its records with respect to all matters covered by this Agreement, and will permit such representatives of City to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement, and for a period of four (4) years from the date of final settlement of this Agreement or for such other or longer period, if any, as may be required by applicable statute or other lawful requirement.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, TEX. LOC. GOV'T CODE, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute and deliver to City the Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit F** and incorporated herein for all purposes, no later than the Effective Date of this Agreement.

ARTICLE 8 TERMINATION OF AGREEMENT/REMEDIES

City may, upon thirty (30) days written notice to Consultant, terminate this Agreement, for any reason or no reason at all, before the termination date hereof, without prejudice to any other remedy it may have. If City terminates this Agreement due to a default of and/or breach by Consultant and the expense of finishing the Project exceeds Consultant's Fee at the time of termination, Consultant waives its right to any portion of Consultant's Fee as set forth in Article 3 of this Agreement and agrees to pay any costs over and above the fee which City is required to pay in order to finish the Project. On any default and/or breach by Consultant, City may elect not to terminate the Agreement, and in such event it may make good the deficiency in which the default consists, and deduct the costs from Consultant's Fee due Consultant as set forth in Article 3 of this Agreement. If City terminates this Agreement and Consultant is not in default of the Agreement, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of City in accordance with the provisions of this Agreement prior to termination.

In the event of any termination, Consultant shall deliver to City all finished and/or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment.

The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

ARTICLE 9 DISPUTE RESOLUTION/MEDIATION

In addition to all remedies at law, the parties may agree to attempt to resolve any controversy, claim or dispute arising out of or relating to the interpretation or performance of this Agreement, or breach thereof, by voluntary mediation to be conducted by a mutually acceptable mediator. However, if both parties do not agree to voluntarily mediate any such controversy, claim or dispute, mediation shall not be required.

ARTICLE 10 INDEMNITY

CONSULTANT SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS CITY AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES (COLLECTIVELY REFERRED TO AS "CITY") FOR PURPOSES OF THIS ARTICLE 10) FROM AND AGAINST ALL DAMAGES, INJURIES (WHETHER IN CONTRACT OR IN TORT, INCLUDING PERSONAL INJURY AND DEATH), CLAIMS, PROPERTY

DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS (REGARDLESS OF WHETHER THE ALLEGATIONS ARE FALSE, FRAUDULENT OR GROUNDLESS), SUITS, ACTIONS, JUDGMENTS, LIENS, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEY'S FEES AND EXPENSES INCURRED IN ENFORCING THIS ARTICLE 10), THAT IN WHOLE OR IN PART ARISE OUT OF OR ARE CONNECTED WITH, OR THAT ARE ALLEGED TO HAVE ARISEN OUT OF OR CONNECTED WITH, GOODS AND/OR SERVICES PROVIDED BY CONSULTANT, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES OR ANY OTHER THIRD PARTIES FOR WHOM CONSULTANT IS LEGALLY RESPONSIBLE (COLLECTIVELY REFERRED TO AS "CONSULTANT" FOR PURPOSES OF THIS ARTICLE 10) PURSUANT TO THIS AGREEMENT AND/OR THE NEGLIGENT, GROSSLY NEGLIGENT AND/OR INTENTIONAL WRONGFUL ACT AND/OR OMISSION OF CONSULTANT IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE CITY (COLLECTIVELY, "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT IS NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST CITY BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONSULTANT AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONSULTANT, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. CONSULTANT IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS; PROVIDED, HOWEVER, THAT IF A COURT OF COMPETENT JURISDICTION SIGNS A JUDGMENT THAT BECOMES FINAL AND NON-APPEALABLE, DETERMINING THAT THE CITY (WITHOUT WAIVING ANY

GOVERNMENTAL IMMUNITY) HAS JOINT, CONCURRENT OR SOLE NEGLIGENCE FOR THE CLAIMS IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS ("JUDGMENT"), THEN CONSULTANT IS NOT REQUIRED TO INDEMNIFY OR DEFEND CITY TO THE EXTENT OF THE NEGLIGENCE APPORTIONED TO CITY FOR EACH CAUSE(S) OF ACTION IDENTIFIED IN THE JUDGMENT. IN THE EVENT THE JUDGMENT PROVIDES THAT CITY IS JOINTLY, CONCURRENTLY OR SOLELY NEGLIGENT FOR THE CLAIMS REFERRED TO THEREIN, CITY AGREES TO REIMBURSE CONSULTANT FOR ALL REASONABLE AND NECESSARY COSTS INCURRED AND PAID BY CONSULTANT THAT ARE ATTRIBUTABLE TO CITY'S PERCENTAGE OF JOINT, CONCURRENT OR SOLE NEGLIGENCE, AS SET FORTH IN THE JUDGMENT, INCLUDING REASONABLE AND NECESSARY ATTORNEY'S FEES AND EXPENSES, WITHIN SIXTY (60) DAYS OF THE DATE THE JUDGMENT BECOMES FINAL AND NON-APPEALABLE. IF THIS AGREEMENT IS A CONTRACT FOR ENGINEERING OR ARCHITECTURAL SERVICES, THEN CONSULTANT'S INDEMNITY AND DEFENSE OBLIGATIONS UNDER THIS ARTICLE 10 ARE LIMITED BY, AND TO BE READ AS COMPLYING WITH, SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE.

IN ITS SOLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY CONSULTANT IN FULFILLING ITS OBLIGATION HEREUNDER TO DEFEND AND INDEMNIFY CITY, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. CITY RESERVES THE RIGHT TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE; HOWEVER, CITY IS UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY CITY IS NOT TO BE CONSTRUED AS A WAIVER OF CONSULTANT'S OBLIGATION TO DEFEND CITY OR AS A WAIVER OF CONSULTANT'S OBLIGATION TO INDEMNIFY CITY PURSUANT TO THIS AGREEMENT. CONSULTANT SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF CITY'S WRITTEN NOTICE THAT CITY IS INVOKING ITS RIGHT TO DEFENSE OR INDEMNIFICATION UNDER THIS AGREEMENT. IF CONSULTANT FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, CITY SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND CONSULTANT SHALL BE LIABLE FOR ALL COSTS INCURRED BY CITY. THE RIGHTS AND OBLIGATIONS CREATED BY THIS ARTICLE SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

ARTICLE 11 NOTICES

Any notice provided or permitted to be given under this Agreement must be in writing and

may be served by depositing the same in the United States Mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested; by facsimile; by electronic mail, with documentation evidencing the addressee's receipt thereof; or by delivering the same in person to such party a via hand-delivery service, or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notification, the addresses of the parties shall be as follows:

If to City, addressed to it at:

Wayne E. Lee, P.E., CFM
Director of Engineering
City of Sherman
220 W Mulberry St.
Sherman, TX 75091
Telephone: (903) 892-7327
Email: waynel@cityofsherman.com

With a copy to:

Abernathy, Roeder, Boyd & Hullett, P.C.
Attention: Ryan D. Pittman
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Telephone: (214) 544-4000
Facsimile: (214) 544-4054
Email: rpittman@abernathy-law.com

If to Consultant, addressed to it at:

Jenny Prazak, P.E.
Principal, Project Manager
Cobb, Fendley & Associates, Inc.
2801 Network Blvd., Suite 800
Frisco, TX, 75034
Telephone: (972) 335-3214
Email: jprazak@cobb fendley.com

ARTICLE 12

MISCELLANEOUS

- 12.1 **Complete Agreement** – This Agreement, including the exhibits hereto labeled “A” through “F,” all of which are incorporated herein for all purposes, constitute the entire Agreement by and between the parties regarding the subject matter hereof and supersedes all prior and/or contemporaneous written and/or oral understandings. This Agreement may not be amended, supplemented, and/or modified except by written agreement duly executed by both parties. The following

exhibits are attached below and made a part of this Agreement:

- 12.1.1 **Exhibit A**, Scope of Services.
- 12.1.2 **Exhibit B-1**, Project Engineering Budget Summary.
- 12.1.3 **Exhibit B-2**, COBBFENDLEY 2022 STANDARD RATE SCHEDULE
- 12.1.4 **Exhibit C**, Guidelines for Computer Aided Design and Drafting (CADD).
- 12.1.5 **Exhibit D**, Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses.
- 12.1.6 **Exhibit E**, Contractor Insurance Guidelines.
- 12.1.7 **Exhibit F**, Conflict of Interest Questionnaire, Form CIQ.

To the extent that **Exhibit A**, **Exhibit B-1**, **Exhibit B-2**, **Exhibit C**, **Exhibit D**, **Exhibit E**, or **Exhibit F** are in conflict with provisions of this Agreement or each other, the provisions of this Agreement, then the provisions of **Exhibit C**, **Exhibit D**, **Exhibit E**, **Exhibit F**, **Exhibit B-1**, **Exhibit B-2** or **Exhibit A** shall prevail in that order.

- 12.2 **Assignment and Subletting** – Consultant agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of City. Consultant further agrees that the assignment or subletting of any portion or feature of the work or materials required in the performance of this Agreement shall not relieve Consultant of its full obligations to City as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Consultant, and there shall be no third party billing.
- 12.3 **Attorney's Fees** – If either party files any action or brings any proceeding against the other arising from this Agreement, then as between City and Consultant, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, reasonable and necessary attorneys' fees and litigation expenses both at trial and on appeal, subject to the limitations set forth in TEX. LOC. GOV'T CODE § 271.153, as it exists or may be amended, if applicable.
- 12.4 **Successors and Assigns** – City and Consultant, and their respective partners, assigns, successors, subcontractors, executors, officers, agents, employees, representatives and administrators are hereby bound to the terms and conditions of this Agreement.
- 12.5 **Savings/Severability** – In the event of a term, condition, or provision of this Agreement is determined to be invalid, illegal, void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been

contained in this Agreement.

- 12.6 **Governing Law/Venue** – This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. The exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.
- 12.7 **Execution/Consideration** – This Agreement is executed by the parties hereto without coercion or duress for any substantial consideration, the sufficiency of which is forever confessed.
- 12.8 **Authority** – The individuals executing this Agreement on behalf of the respective parties below represent to each other that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the other party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.
- 12.9 **Waiver** – Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.
- 12.10 **Headings** – The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.
- 12.11 **Multiple Counterparts** – This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail and/or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.
- 12.12 **Immunity** – It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed to have waived, any immunity, governmental, sovereign and/or official, or defense that is available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth in this Agreement.
- 12.13 **Incorporation of Recitals** – The representations, covenants and recitations set forth in the foregoing recitals of this Agreement are true and correct and are incorporated into the body of this Agreement and adopted as findings of City and

the authorized representative of Consultant.

- 12.14 **Additional Representations** – Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had the opportunity to confer with its counsel.
- 12.15 **Miscellaneous Drafting Provisions** – This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.
- 12.16 **No Third Party Beneficiaries** – Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- 12.17 **Indemnity** – The parties agree that the Indemnity provision set forth in Article 10 of this Agreement is conspicuous and the parties have read and understood the same.
- 12.18 **Representations** – All representations and covenants made by one party to the other in this Agreement or in any certificate or other instrument delivered by one party to the other under this Agreement shall be considered to have been relied upon by the other party and will survive the satisfaction of any fees under this Agreement, regardless of any investigation made by either party.
- 12.19 **Independent Contractor** – In performing this Agreement, Consultant shall act as an independent contractor with respect to City. In no event shall this Agreement be construed as establishing a partnership, joint venture or similar relationship between the parties and nothing herein shall authorize either party to act as agent for the other. Consultant shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes and benefits with respect to all of Consultant's officers, directors, partners, employees and representatives, who shall not be considered City employees and shall not be eligible for any employee benefit plan offered by City.
- 12.20 **Debarment/Suspension** – City is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. City, Consultant and Consultant's subcontractors shall comply with federal and state regulations regarding debarment and suspension. Consultant shall include a statement of compliance with federal and state debarment and suspension regulations in all third-party agreements for work on the Project.

- 12.21 **Restrictions on Lobbying** – City and Consultant are prohibited from using funds awarded under the Agreement for lobbying purposes. Consultant shall include a statement of compliance with this provision in applicable procurement solicitations and third-Party agreements for work on the Project.
- 12.22 **Appropriation of Funds** – Funds are not presently budgeted for City's performance under this Agreement beyond the end of City's 2021-2022 fiscal year. City will give Consultant sixty (60) days' notice if funds for City's performance are not budgeted to continue beyond that time. City shall have no liability for payment of any money for services performed after the end of City's 2021-2022 fiscal year unless and until such funds are budgeted.
- 12.23 **Certifications Required by Texas Law** – In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Consultant hereby certifies that Consultant does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.
- 12.24 **Reference to Consultant** – When referring to "Consultant," this Agreement shall refer to and be binding upon Consultant, and its officers, directors, partners, employees, representatives, contractors, subcontractors, licensees, invitees, agents, successors, assignees (as authorized herein), vendors, grantees, trustees, legal representatives and/or any other third parties for whom Consultant is legally responsible.
- 12.25 **Reference to City** – When referring to "City," this Agreement shall refer to and be binding upon City, its Council members, officers, agents, representatives, employees and/or any other authorized third parties for whom City is legally responsible.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the date set forth in the introductory clause of this Agreement.

CITY:
City of Sherman, Texas,
a Texas home-rule municipality

CONSULTANT:
Cobb, Fendley & Associates, Inc.
a Texas corporation

By: _____
Robby Hefton, City Manager

By: _____
Ted B. Sugg, P.E.
Regional Municipal Manager

APPROVED AS TO FORM:

Abernathy, Roeder, Boyd & Hullett, P.C.
Ryan D. Pittman, City Attorneys

STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED **ROBBY HEFTON**, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; HE ACKNOWLEDGED TO ME THAT HE IS THE CITY MANAGER AND DULY AUTHORIZED REPRESENTATIVE FOR THE **CITY OF SHERMAN, TEXAS**, A TEXAS HOME-RULE MUNICIPALITY, AND THAT HE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY
OF _____ 2022.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My commission expires: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED **TED B. SUGG**, KNOWN TO ME TO BE ONE OF THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE FOREGOING INSTRUMENT; HE ACKNOWLEDGED TO ME THAT HE IS THE PRESIDENT AND DULY AUTHORIZED REPRESENTATIVE FOR **COBB, FENDLEY & ASSOCIATES, INC.**, AND THAT HE EXECUTED SAID INSTRUMENT FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY
OF _____ 2022.

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS
My commission expires: _____

EXHIBIT A SCOPE OF SERVICES

I. PROJECT DESCRIPTION

Consultant will provide the City engineering design services for a roadway alignment study and schematic design for:

- Friendship Rd from SH 56 to O.B. Groner Rd (approx. 2.2 mi)
- Pleasant Home Rd from Riddles Rd to SH 1417 (approx. 1.6 mi)

Consultant will provide professional engineering services as follows:

- Review current roadway alignments.
- Determine existing ROW, property corners, and adjacent property lines.
- Analyze alternatives for realignment, determining obstacles and property acquisition needs for each alternative. Determine new roadway alignments for Friendship Rd & Pleasant Home Rd based on analysis.
- Prepare ROW strip map along both alignments.
- Prepare rights of entry for survey, geotechnical, and environmental.
- Perform geotechnical investigations for pavement design, and soil investigation for drainage design and use during construction.
- Perform environmental assessment and determine limits of Waters of the U.S.
- Determine proposed horizontal and vertical roadway alignments for Friendship Rd and Pleasant Home Rd.
- Identify affected parcels/landowners, prepare right-of-way/easement exhibits and legal descriptions for affected parcels.

Assumptions Consultant is making for the preparation of this proposal:

- Friendship Rd shall generally follow the existing roadway route. Pleasant Home Rd shall be re-aligned between Riddels Rd and Friendship Rd, and then shall be extended along a new alignment between Friendship Rd and FM 1417, where it shall align with Park Ave. See Exhibit 1 for map.
- In the future, a large-diameter water line is proposed to follow the alignment of Friendship Rd, within an easement immediately adjacent or in close proximity to the proposed western right-of-way line of Friendship Rd. It is understood that Freese & Nichols has been engaged to design the water line.
- Because the large diameter water line design and the roadway alignment studies are being performed separately, the City, CobbFendley, and Freese & Nichols will need to closely coordinate during the alignment study phases of Friendship Rd and the water line. However, if revisions to the roadway alignment beyond what is detailed in the scope of services below are necessary due to waterline design conflicts/considerations, this may result in a contract

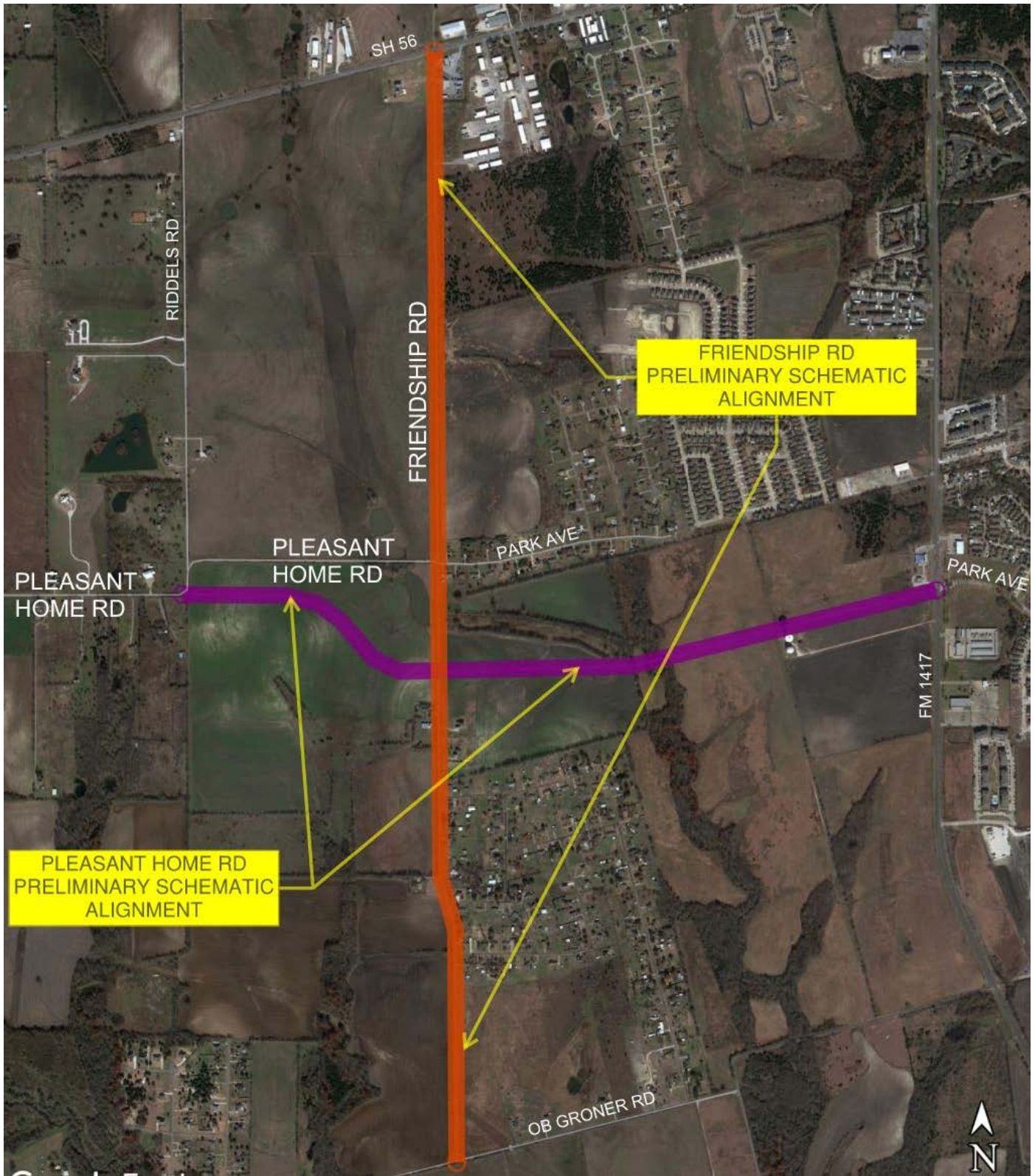
EXHIBIT A SCOPE OF SERVICES

amendment or request for additional services.

- Per Grayson County CAD, there are potentially sixty (60) parcels with frontage on Friendship Rd and/or Pleasant Home Rd's proposed alignments. See Exhibit 2 for map, and Table 1 for list of parcels.
- Title Commitments will be performed on all sixty (60) frontage parcels identified to determine any existing encumbrances on the property that may affect the roadway alignments.
- Right-of-way acquisition documents/exhibits will be required on thirty-five (35) parcels (this number is approximate and the true number of parcels affected will be determined by the final alignment design), therefore preparation of survey exhibits/legal descriptions will be required.
- No temporary construction easements (TCE's) will be identified, required, or requested.
- Right-of-way acquisition services will be performed by the City or the City's designated appointee, and have been removed from this scope of services.
- There are known riparian/wetland areas that will be crossed and/or potentially affected by the new roadway alignments. See Exhibit 3 for map.
- At the City's request, compensation line items are provided in a format such that services are split between Friendship Rd and Pleasant Home Rd. The description of services, unless otherwise specified, applies to both roadways. Individually listed items such as submittals and meetings, assumes that these items will be for both roadways rather than separate submittals or meetings for each roadway

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT 1



**EXHIBIT A
SCOPE OF SERVICES**

EXHIBIT 2

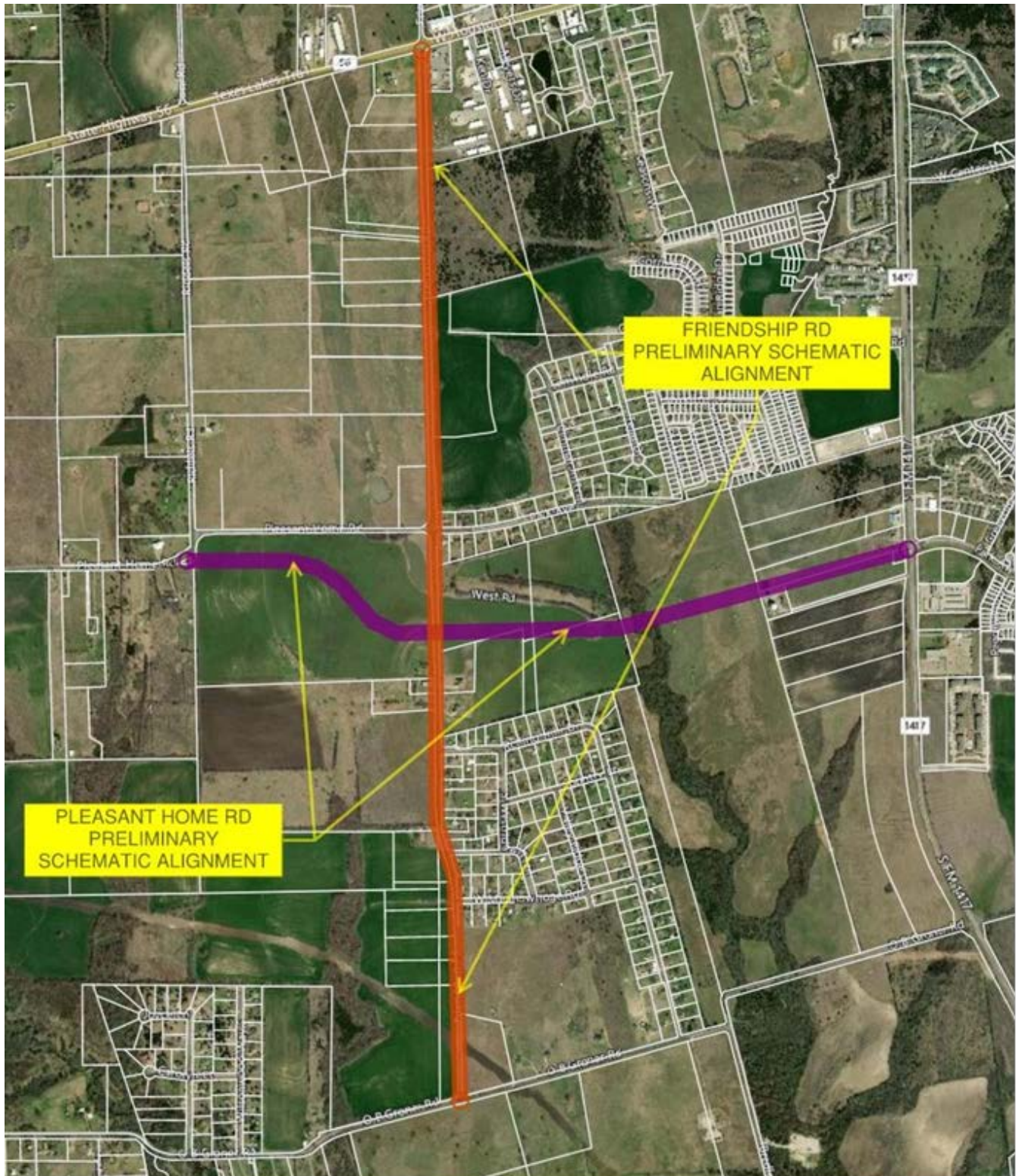
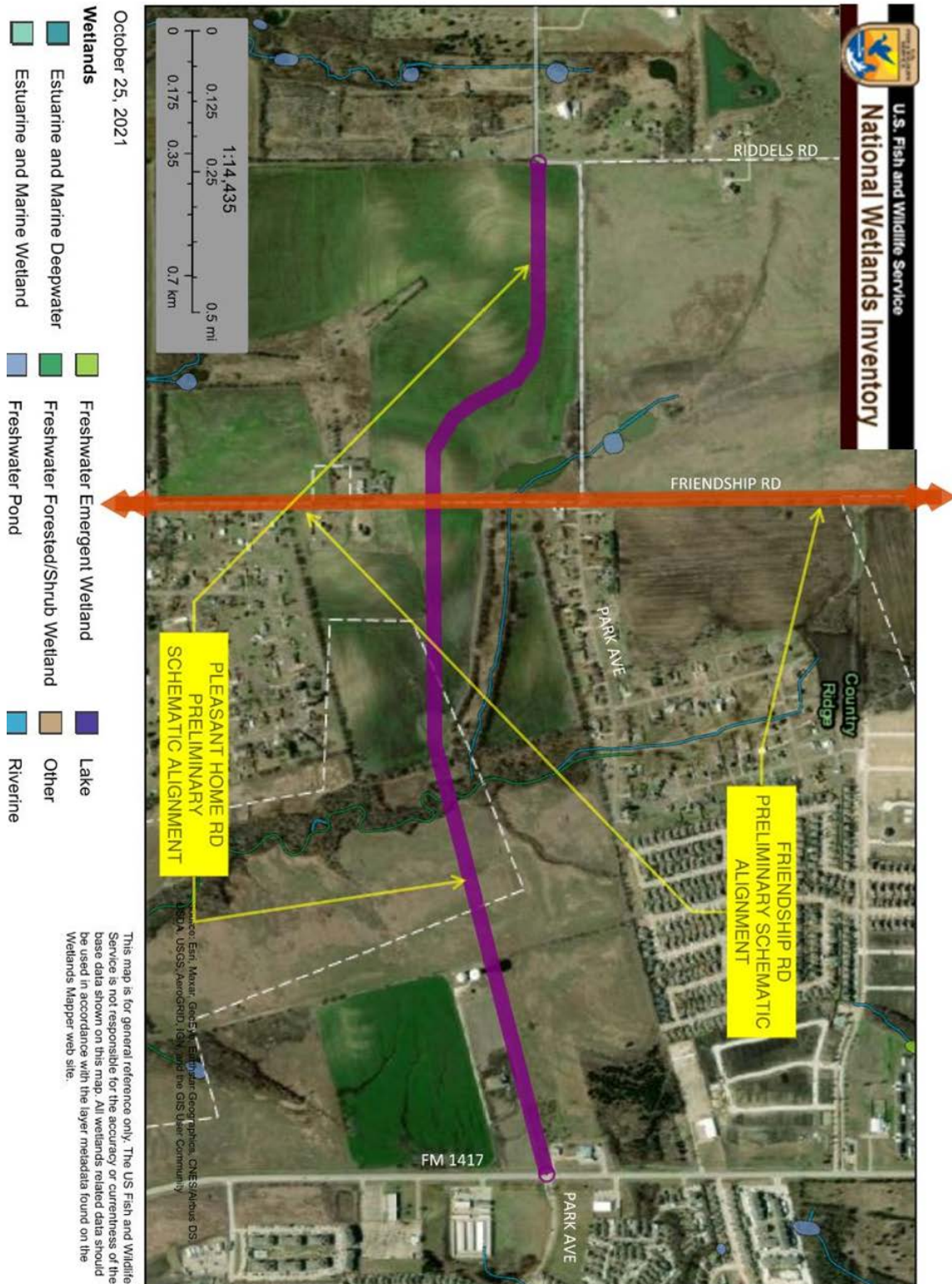


EXHIBIT A SCOPE OF SERVICES

EXHIBIT 3



**EXHIBIT A
SCOPE OF SERVICES**

TABLE 1

Parcel Number	GRAYSON CAD ID	OWNER NAME	ROAD FRONTAGE
1	122463	Whitley Don Charles	Friendship
2	122917	Higgins Cora Lou	Friendship
3	122462	Meyers Industrial Park LLC	Friendship
4	220189	Whitley Don Charles	Friendship
5	226191	Dieterichs Patricia M et vir Edward P	Friendship
6	226193	Dieterichs Patricia M et vir Edward P	Friendship
7	226199	Dieterichs Patricia M et vir Edward P	Friendship
8	122465	East Side Ventures LP	Friendship
9	122956	Yang Nuo	Friendship
10	225810	Hoang Vinh Van	Friendship
11	225811	Hoang Vinh Van	Friendship
12	225812	Hoang Vinh Van	Friendship
13	225813	Hoang Vinh Van	Friendship
14	253547	Ellard J Chad	Friendship
15	231378	Khan Khurshid A et ux Farzana N	Friendship
16	231389	Shah Gandhi Trust	Friendship
17	231388	Ellard J Chad	Friendship
18	231368	Ellard J Chad	Friendship
19	253530	300 Sherman LP	Friendship
20	123339	Ellard J Chad	Friendship
21	122477	Clingan Nancy Diane et vir Terry Lee	Friendship
22	123340	M & R Friendship Road LLC	Friendship/Pleasant Home
23	122497	Lash Max et ux Sherry	Friendship
24	260644	Yantis Sandra C Trustee/Anderson Frankie Cumming	Friendship/Pleasant Home
25	370186	Davis Brent A et ux Stacy Michelle	Friendship
26	123344	Perkins Grant and Julia	Friendship
27	123343	Perkins Grant and Julia	Friendship
28	209869	Anderson Family Revocable Trust	Friendship
29	372858	Yang Nuo	Friendship
30	125151	Sutherland Rusty	Friendship
31	125210	Spencer Carolyn F	Friendship
32	125156	Davis Phillip Andrew et ux Cathrine J	Friendship
33	125153	Miller Martha Jo	Friendship
34	125155	Dannenberg Donald E	Friendship
35	125159	Keyes Billy W	Friendship
36	125154	Keyes Billy W	Friendship
37	123346	Purdum Connie	Friendship
38	125160	Patton Jimmy	Friendship

**EXHIBIT A
SCOPE OF SERVICES**

Parcel Number	GRAYSON CAD ID	OWNER NAME	ROAD FRONTAGE
39	125144	Purdum Connie	Friendship
40	125209	Kmodras Richard et ux Jana	Friendship
41	125248	Little James T Jr et ux Trena R	Friendship
42	125253	Malone Hariel Keith and Kathie Lynn Malone	Friendship
43	125145	Epting Kathy	Friendship
44	125262	Burton Scott A et ux Ofelia R	Friendship
45	125146	Epting Jerry	Friendship
46	391048	Sormin LLC	Friendship
47	404222	Navarrete Leopoldo N and Armida Bueno Navarrete	Friendship
48	125147	Epting Jerry	Friendship
49	404227	Diaz Jose Angel	Friendship
50	125148	Epting Kathy	Friendship
51	404226	Diaz Nicolas and Cynthia Diaz	Friendship
52	125143	Epting Jerry et al	Friendship
53	125141	Esparza Primitivo & Maria Herlinda Esparza	Friendship
54	374450	Guzman Jordan et ux Giselle	Pleasant Home
55	123367	Illumined Crossing LLC	Pleasant Home
56	260642	Yantis Sandra C Trustee/Anderson Frankie Cumming	Pleasant Home
57	122468	Anderson Family Revocable Trust	Pleasant Home
58	125114	Quach Huy & Shao Wu Charles	Pleasant Home
59	122458	Singh Kashmir et ux Sandeep Kaur	Pleasant Home
60	122475	New Heritage Baptist Church	Pleasant Home

II. GENERAL REQUIREMENTS

- A.** Specific design requirements shall be obtained from the City of Sherman Engineering Design Standards. Consultant will establish and summarize design criteria. The design criteria will be reviewed by the City for approval prior to beginning design work.
- B.** Consultant shall coordinate with other engineering consultants, utility companies, franchise utilities, City of Sherman, pipeline companies, and any other entity which has facilities within or adjacent to the Project.
- C.** Each time the Consultant submits plans and/or specifications to City, two (2) copies (as well as PDF versions) of each shall be submitted, unless otherwise instructed. These shall be reviewed and checked by City and returned to Consultant for corrections. When the corrected copies of the plans and specifications are returned to City, the original and reviewed plans and

EXHIBIT A SCOPE OF SERVICES

specifications shall also be returned to City. All plans, specifications, documents, provisions, attachments, and correspondence provided in accordance with this contract shall be dated.

- D.** The Consultant shall submit a monthly report outlining, at a minimum, the work on the project which occurred the previous month, the work expected to be completed the following month, the next major project milestone, and any information needed from the City. The report is to be submitted with monthly invoice.

E. Communications and Reporting:

- i Attend a pre-design project kickoff meeting with City staff to confirm and clarify scope, understand City objectives, and ensure economical and functional designs meet City requirements.
- ii Attend review meeting with the City at the end of each design phase.
- iii Prepare and submit monthly invoices in the format acceptable to the City.
- iv Prepare and submit monthly progress reports.
- v Prepare and submit baseline Project Schedule initially, Project Schedule updates, and updated Opinion of Probable Construction Cost with each plan submittal.
- vi Coordinate with other agencies and entities as necessary for the design of the proposed infrastructure and provide and obtain information needed to prepare the design.
- vii With respect to coordination with permitting authorities, Consultant shall communicate with permitting authorities such that their regulatory requirements are appropriately reflected in the designs. Consultant shall work with regulatory authorities to obtain approval of the designs, and make changes necessary to meet their requirements.
- viii Attend additional project coordination meetings, if needed.

III. TASK SUMMARY, BASIC SERVICES

A. Roadway Alignment Studies

- 1. Conduct one (1) project kick-off meeting (virtual or in-person) with the City staff.
- 2. Perform detailed site Investigation with design team and City staff.
- 3. Obtain record drawings, studies, and planning documents from the City that may have an impact on the project. Incorporate this data into the planning and design of the project.
- 4. Consultant will contact the franchise utility companies and use the information they provide to help identify conflicts so coordination for the relocation of the franchise utilities can be performed at a later date.

EXHIBIT A SCOPE OF SERVICES

Consultant will keep a log of franchise utility companies contacted and their response, if any.

5. Consultant will perform preliminary coordination discussions with TxDOT regarding the proposed intersections/improvements at SH 56 and SH 1417 and attempt to account for any known future TxDOT improvements on either roadway.
6. Consultant will determine overall drainage area boundaries encompassing the road(s) and perform drainage calculations, which will be used to size any required cross-culverts underneath the road(s).
7. Using the information provided by the City and gathered by the engineer, the Right-of-Way (ROW) map, geotechnical information, and environmental reports (see "Special Services" for additional information on these items), Consultant shall prepare the schematic roadway alignment plans (one (1) schematic alignment for Friendship Rd, and three (3) schematic horizontal alignments for Pleasant Home Rd) - including schematic horizontal and vertical layouts and typical sections for the paving/right-of-way.
8. Provide the City with a conceptual schematic submittal including:
 - a. Two (2) roll plots (size TBD), and a pdf file of the conceptual schematic horizontal and vertical layouts.
 - b. Preliminary list/table of properties requiring ROW and/or easement acquisition, based on the conceptual schematic designs.
 - c. Preliminary list of possible environmental impacts and repercussions, based on conceptual schematic design.
9. Attend one (1) meeting (virtual or in-person) with the City to review the preliminary schematics and receive comments.
10. Address/incorporate one (1) round of City comments, revising the conceptual schematic design accordingly.
11. Provide the City with a preliminary schematic submittal including:
 - a. Two (2) roll plots (size TBD), and a pdf file of the preliminary schematic horizontal and vertical layouts.
 - b. Preliminary list/table of properties requiring ROW and/or easement acquisition, based on the preliminary schematic designs.
 - c. Preliminary list of possible environmental impacts and repercussions, based on preliminary schematic design.
12. Attend one (1) meeting (virtual or in-person) with the City to review the preliminary schematics and receive comments.

EXHIBIT A SCOPE OF SERVICES

13. Address/incorporate one (1) round of City comments, revising the preliminary schematic design accordingly.
14. Provide the City with a final schematic submittal including:
 - a. Two (2) roll plots (size TBD), and a pdf file of the final schematic horizontal and vertical layouts.
 - b. Final list/table of properties requiring ROW and/or easement acquisition based on the final schematic designs.
 - c. Final list of possible environmental impacts and repercussions, based on final schematic design.

B. Special Services

Various services incidental to the project, but not within the scope of the Basic Engineering Services covered by A., B., C., D., and E. preceding, which may be performed or arranged for separately by City, or may be added to the Consultant's responsibilities by mutual agreement and written authorization include but are not necessarily limited to the following:

1. Survey & Mapping Services

- a. All surveys and coordinate information shall be based on the NAD 83 CORS Grid Coordinate System utilizing control monuments established within the City of Sherman.
- b. Friendship Road - The subject area to survey consists of the existing Right of Way (ROW) and adjoining properties along Friendship Road, from the Southerly ROW of SH 56 to the Northerly ROW of OB Groner Road.
- c. Pleasant Home Road - The subject area to survey consists of the properties along the proposed Right of Way (ROW) of Pleasant Home Road, from the intersection of Pleasant Home Rd & Riddels Rd on the west, to the intersection of FM 1417 (S. Heritage Pkwy) & Park Ave on the east.
- d. Provide a boundary survey to support proposed ROW acquisitions and proposed easement efforts.
- e. Research Appraisal District information to obtain ownership information along the subject ROW and adjoining properties.
- f. Research Deed and Plat records for current ownership.
- g. Provide a deed/right-of-way sketch of the existing Right of Way and adjoining properties in Civil 3D.

EXHIBIT A SCOPE OF SERVICES

- h. Provide a deed/right-of-way sketch of the existing easements as shown in the Title Commitments provided by City's preferred title company.
- i. Locate visible utilities including traffic lights, manholes, fire hydrants, power poles, pedestals, pipeline markers, and signs.
- j. Locate drainage structures including cross culverts showing pipe sizes, type and flowlines.
- k. Locate the pond and creek crossing the proposed ROW locating top, toe of bank, flowline of creek, and edge of water on pond.
- l. The following items are excluded from this scope of services:
 - i. The resolution of any boundary conflicts observed during the course of the survey.
 - ii. The location of utilities by SUE services or any means other than described above.
 - iii. Construction staking services.

2. Right-of-Way Services

- a. Right of Entry (ROE) Coordination
 - i. Research property ownership.
 - ii. Contact property owner by letter and/or phone requesting signature on the Right of Entry Agreement (ROE).
 - iii. Seek to obtain signed ROE from property owner for the purposes outlined by Project Owner.
 - iv. Maintain copies of correspondence and contacts with property owners.
 - v. Transmit copies of the signed ROEs to Project Owner
- b. Title Services
 - i. Obtain commitment(s) for title insurance from City's preferred title company.
 - a) Title Commitment/Abstract Fee has been included in Consultant's fees.
 - ii. Analyze preliminary Title Commitment(s) to determine potential title problems and prepare a title curative plan outlining methods to cure title deficiencies.

3. Geotechnical Investigation and Pavement Design

- a. The objective of this geotechnical investigation will be to obtain subsurface data and to develop recommendations for the design and construction of the pavements and subsurface utilities within each alignment. All services provided will be performed in accordance with and limited to those generally

EXHIBIT A SCOPE OF SERVICES

accepted engineering standards prevailing at the time and in the area that the work is performed.

b. Field Services:

- i. Friendship Rd - Propose a total of fifteen (15) borings be advanced along the road alignment (approximate spacing of 500 to 750 feet). Fourteen (14) of the borings will be drilled to depths of about 15 feet and one (1) boring will be drilled to a depth of about 20 feet at the location of a potential culvert crossing.
- ii. Pleasant Home Rd - Propose a total of thirteen (13) borings be advanced along the new proposed Pleasant Home Rd realignment (approximate spacing of 500 to 750 feet). Eleven (11) of the borings will be drilled to depths of about 10 feet , while two (2) borings will be drilled to depths of about 40 feet at the proposed location of a potential bridge or a culvert crossing.
- iii. The borings will be drilled and sampled using a truck-mounted and/or an ATV mounted drilling rig. The existing pavement materials will be drilled through to access the underlying subgrade soils. Conventional tube or split- barrel (standard penetration test) samples will be collected as appropriate for the soils encountered. Bedrock strata, if encountered, will be tested in-place using the Texas Cone Penetration Test. Competent bedrock strata encountered in the deeper bridge borings will be cored near-continuously utilizing an N-size coring equipment. The recovered subsurface samples will be preserved and labeled as to the appropriate boring number and depth in the field. These materials will be described in further detail in the laboratory by a staff geologist or engineer. Groundwater, if observed, will be recorded during and at the completion of drilling. After final groundwater observations, the borings will be backfilled with the excavated cuttings.

c. Laboratory Services

- i. Selected laboratory testing of the recovered samples will be performed to evaluate soil index properties, strength and volume change potential characteristics of the subsurface materials, and to provide data for analysis and development of recommendations for pavement subgrade preparation and pavement design. These tests may include but may not be limited to the following:
 - a) Moisture content
 - b) Atterberg limits
 - c) Percent passing No. 200 mesh sieve
 - d) Soluble sulfate
 - e) Overburden swell tests (if cohesive soils are encountered)
 - f) Unconfined compressive strength tests for soil and rock core (for bridge and culvert borings)

EXHIBIT A SCOPE OF SERVICES

- ii. D&S Engineering will retain recovered samples for 30 days after submission of the geotechnical data report unless other arrangements are made by the client.
- d. Engineering Analysis and Report
 - i. A plan sheet indicating the approximate location of each boring.
 - ii. A log of each boring with the boring number, depth of each stratum, material description, soil classification with laboratory test results, and groundwater information.
 - iii. A discussion of subsurface soil and groundwater conditions.
 - iv. A brief discussion of the site geology.
 - v. Estimates of soil movement related to settlement and expansive soils.
 - vi. Outline of the engineering properties of the natural soils present and any existing fill, if encountered.
 - vii. Earthwork recommendations, including material type(s), compaction, and backfill requirements.
 - viii. Pavement subgrade preparation and pavement section recommendations.
 - ix. Electronic copy of the geotechnical report.
- e. Traffic Control
 - i. Traffic control may be necessary for Friendship Rd and will be provided for an additional cost of \$2,600 per day (2 days anticipated) unless these services are provided by others. These amounts will not be exceeded without prior approval. Should subsurface conditions be encountered which warrant significant revisions in this scope of services, we will contact you prior to initiating any new work. If additional services are desired, they may subsequently be agreed upon in writing and rendered under this agreement for additional, negotiated compensation.
- f. Schedule
 - i. Current drilling backlog should allow for commence drilling operations, weather permitting, within about 2 to 4 weeks of receipt of a signed agreement or official notice-to-proceed.
 - ii. The final report will be provided about 2 to 3 weeks after completion of drilling.

4. Environmental Services

- a. Waters of the United States Delineation
 - i. IES will provide professional services to delineate all waters of the United States, including wetlands, within the project site. IES wetland ecologist will delineate the jurisdictional limits of the streams based on 33 Code of Federal Regulations (CFR) 328.3[e] and delineate the jurisdictional limits of any wetlands based on the 1987 USACE Wetland Delineation Manual

EXHIBIT A SCOPE OF SERVICES

and the Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Great Plains Region (Version 2.0), and any current Regulatory Guidance Letters. The boundaries of all of these water features identified in the field will be recorded with a Global Positioning System (GPS) that is capable of sub-meter accuracy. After the delineation is completed, IES will digitize these waters of the United States for use by the client for planning, impact calculation, and illustration purposes. This delineation will be provided to the engineer/client for inclusion in their engineering plans to avoid and minimize impacts to waters of the United States (if any are present on the site). The deliverable for this task is a delineation report that includes methods, results, and conclusions, along with the necessary data forms, photographs, maps, and a delineation map. The conclusion of this report will detail why any water features on the site are or are not considered waters of the United States.

IV. CITY RESPONSIBILITIES

- A. The City will provide the following information in a timely manner so as not to delay the services of the Consultant:
 - 1. The City will provide any available design plans, drainage studies, surveys, property information, utility locations, CADD files or any other pertinent information. The City will provide aerial & lidar contour data to 2' detail level.
 - 2. The City shall attend review meetings and make final decisions on design issues such that questionable matters may be resolved and the Project progress as scheduled. After the first review meeting, the City shall determine/provide direction to Consultant on which of the proposed horizontal alignments for Pleasant Home Rd is preferred, and shall be continued into the design phase.
 - 3. The City shall allow Consultant, and Consultant's subconsultants, to perform interviews with personnel that have a working knowledge of the facilities within the Project area. The City shall make available personnel to assist in the locating of water and wastewater lines, which cannot be identified by other means.
 - 4. In regards to Right-of-Way services, City responsibilities include:
 - a. For parcels affected by this project, provide copies of all appraisal reports produced or acquired by the Project Owner in the last 10 years.
 - b. Timely reviews and approval of all submissions.
 - c. All necessary standard forms.
 - 5. For the Geotechnical investigation, City responsibilities include:

EXHIBIT A
SCOPE OF SERVICES

- a. Provide access for the drilling equipment and crew to each boring location within road right-of-way before drilling can proceed.
- b. D&S will contact DigTess/Texas One Call for general subsurface utility clearing within the easements. Locating and marking any private non-franchise subsurface utilities or other structures or items which might be damaged during the field exploration program is not part of this scope. These services can be provided by third-party vendor to D&S for an additional fee.

V. ITEMS NOT INCLUDED IN THE EXISTING SCOPE OF SERVICES

- A. **Additional Services not included in the existing Scope of Services** – City and Consultant agree the following services are beyond the Scope of Services described in the tasks above. However, Consultant can provide these services, if needed, upon the City's written request. Any additional amounts paid to the Consultant as a result of any material change to the Scope of the Project shall be agreed upon in writing by both parties before the services are performed. These Additional Services include the following:
1. Any other service not specifically included within the description of Basic Services, Special Services, or Other Services as described above.
 2. Any permitting, testing, studies, design, or redesign effort required to bring the plans and specifications and the Project into compliance with any local, state, or federal regulations, processes, or procedures that are put into effect after the execution date of this contract.
 3. Consulting services by others not included in proposal.
 4. Design of improvements outside the project limits/off-site.
 5. Redesign or additional surveying for the Client's convenience or due to changed conditions after the execution date of this contract.
 6. Redesign or additional surveying for the Client's convenience after client has approved proposed alternates and/or approved progress on the design.
 7. Alternate additions not included in the original scope.
 8. Evaluation of design/alignment alternatives beyond what is defined in the scope.
 9. Preparing exhibits and/or intermediate submittals beyond what is defined in the scope.

EXHIBIT A SCOPE OF SERVICES

10. This scope of services does not include any other environmental surveys which the USACE Fort Worth District may request. These additional surveys may include, but not be limited to, cultural resource surveys, species specific absence/presence surveys for any state- or federally-listed protected species, any benthic or macro-invertebrate surveys, etc. If any of these additional surveys are requested by the USACE, IES can provide a cost estimate or qualified permitted contractor recommendation for the survey.
11. Right-of-Way Acquisition services.
12. Materials testing for design other than described above.
13. Hydraulic/hydrologic modeling for drainage other than described above.
14. Preparation/submittal of a CLOMR and/or LOMR.
15. Municipal utility design or system modeling services.
16. Franchise utility relocation coordination or design.
17. Structural engineering.
18. Traffic engineering services.
19. Preparation of roadway design civil construction plans, including, but not limited to, stormwater pollution prevention plan (SWPPP), construction sequencing/phasing plan, and traffic control plan (TCP).
20. The location of utilities by SUE services or any means other than described above.
21. Bid Phase / Construction Phase Services
22. Grant coordination / administration.
23. Meetings with local, state, or federal agencies other than those described above.

EXHIBIT B -1
PROJECT DESIGN BUDGET SUMMARY

I. Basic Services

A. Design Services – Friendship Road Roadway Alignment Study	\$73,600.00
B. Design Services – Pleasant Home Road Roadway Alignment Study	\$51,100.00
<i>Total Basic Services (Lump Sum)</i>	<i>\$124,700.00</i>

II. Special Services – Friendship Road

Survey & Mapping Services:	\$152,700.00
ROW Exhibits/Legal Descriptions (35 Parcels) @ \$3,500 each:	\$122,500.00
Title Commitments/Abstracts (53 parcels) @ \$500.00 each:	\$26,500.00
Right of Entry Coordination (53 parcels) @ \$750.00 each:	\$39,695.00
Delineation of Waters of the U.S.:	\$4,290.00
Geotechnical Investigation & Pavement Design:	\$13,695.00
Geotechnical Investigation Traffic Control (2 days) @ \$2,860/day:	\$5,720.00
<i>Total Authorized Special Services for Friendship Road</i>	<i>365,100.00</i>

III. Special Services – Pleasant Home Road

Survey & Mapping Services:	\$34,760.00
ROW Exhibits/Legal Descriptions (7 Parcels) @ \$3,500 each:	\$24,500.00
Title Commitments/Abstracts (7 parcels) @ \$500.00 each:	\$3,500.00
Right of Entry Coordination (7 parcels) @ \$750.00 each:	\$5,250.00
Geotechnical Investigation & Pavement Design:	\$13,035.00
Geotechnical Investigation Traffic Control (2 days) @ \$2,860/day:	\$2,860.00
<i>Total Authorized Special Services</i>	<i>\$83,905.00</i>

Project Budget, Grand Total (Not-To-Exceed) ***\$573,705.00***

EXHIBIT B -2
COBBFENDLEY 2022 STANDARD RATE SCHEDULE

Senior Engineer V or Principal.....	\$314.00/HR
Senior Engineer IV or Project Manager V	\$314.00/HR
Senior Engineer III or Project Manager IV	\$292.00/HR
Senior Engineer II or Project Manager III.....	\$254.00/HR
Senior Engineer I or Project Manager II.....	\$238.00/HR
Engineer III or Project Manager I	\$184.00/HR
Engineer II	\$163.00/HR
Engineer I	\$135.00/HR
Graduate Engineer II.	\$124.00/HR
Graduate Engineer.	\$113.00/HR
Sr. Project Coordinator.....	\$150.00/HR
Project Coordinator.....	\$103.00/HR
Senior Technician III (GIS, Telecom, Utility, CAD, Field).....	\$179.00/HR
Senior Technician II (GIS, Telecom, Utility, CAD, Field).....	\$156.00/HR
Senior Technician I (GIS, Telecom, Utility, CAD, Field).....	\$135.00/HR
Technician III (GIS, Telecom, Utility, CAD, Field)	\$108.00/HR
Technician II (GIS, Telecom, Utility, CAD, Field)	\$88.00/HR
Technician I (GIS, Telecom, Utility, CAD, Field)	\$65.00/HR
Licensed State Land Surveyor.....	\$254.00/HR
Senior Registered Professional Land Surveyor.	\$227.00/HR
Registered Professional Land Surveyor	\$184.00/HR
Project Surveyor.	\$163.00/HR
4 Person Survey Crew.....	\$206.00/HR
3 Person Survey Crew.....	\$184.00/HR
2 Person Survey Crew.....	\$156.00/HR
1 Person Survey Crew.....	\$113.00/HR
Sr. Right-of-Way Agent III or ROW Project Manager III.....	\$263.00/HR
Sr. Right-of-Way Agent II or ROW Project Manager II.....	\$210.00/HR
Sr. Right-of-Way Agent I or ROW Project Manager I.....	\$189.00/HR
Right-of-Way Agent III or ROW Attorney	\$168.00/HR
Right-of-Way Agent II	\$147.00/HR
Right-of-Way Agent I	\$116.00/HR
Right-of-Way Technician.	\$105.00/HR

EXHIBIT C
GUIDELINES FOR COMPUTER AIDED DESIGN AND DRAFTING (CADD)

1. Files shall done in DWG/DXF format.
2. Files shall be georeferenced in the State Plane, Texas North Central FIPS 4202 (feet) coordinate system, using a datum of NAD 83 Grid.
3. If a surface adjustment factor is applied to the data, any surface adjustment factors used should be clearly documented on the drawing.
4. If submissions for the Project relate to a plat, the file submitted must match exactly the plat that is submitted for recording.
5. The file shall contain required features for the project type as detailed below:
 - a. Pre-Construction/As-Built Plans and/or Record Documents:
 - i. Layers from Final Plat Requirements as Applicable to Project Type.
 - ii. Water Utility Features.
 - iii. Sanitary Sewer Features.
 - iv. Storm Sewer Features.
6. Each required feature group should be provided as a separate layer within the file.
7. Layer names should be representative of the information contained in the layer.
8. Line work should be done per accepted industry norms.
9. Text should not be smaller than 0.08" on a full size sheet, and should be a font such at Simplex, Calibri, or Arial.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

- I. **CONSULTANT'S RESPONSIBILITY**. Consultant shall be solely responsible for the auditing and accuracy of all Direct Expenses, approved markup (general and/or administrative), and approved travel and/or subsistence charges, including those of its subcontractors, prior to submitting to City for reimbursement. Any over-payment by City for errors in submittals for reimbursement may be deducted from Consultant's subsequent payment(s) for services; however, this shall not be City's sole and exclusive remedy for said over-payment.

II. **GUIDELINES FOR DIRECT EXPENSES**.

- A. **Local Transportation** – Transportation in connection with the Project, when such transportation is not a function of routine performance of the duties of Consultant in connection with the Project, and when such transportation exceeds beyond fifty (50) miles from the Project site, shall be reimbursed at a standard mileage rate consistent with that as issued, and periodically revised, by the United States Internal Revenue Service (IRS). Under no circumstances shall City reimburse Consultant at a higher standard mileage rate or pay additional markup on charges for local transportation. Completion of City's Standard Mileage Log is required for submittal of these charges for reimbursement, including justification for each submitted expense.

Under no circumstances are charges associated with rental cars for local transportation eligible for reimbursement by City. Toll road subscriptions or toll plaza receipts are not reimbursable. Consultant agrees to place these standards in all subcontracts for work on the Project.

- B. **Supplies, Material, Equipment** – City shall reimburse the actual cost of other similar direct Project-related expenses, which are duly presented in advance and approved by City's Project Manager in writing.
- C. **Commercial Reproduction** – City shall reimburse the actual cost of reproductions, specifically limited to progress prints prepared for presentation to City at each phase of progress, and final Construction Documents prepared for distribution at bidding phase, provided that Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- D. **In-House Reproduction** – Consultant shall make arrangements with City for prior approval of in-house reproduction rates prior to submitting these expenses for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as

EXHIBIT D
**CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES**

a prerequisite for payment, including the number or reproductions, the date, time, description, the approved standard rate, and a justification for each submitted expense for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

- E. **Commercial Plotting** – City shall reimburse the actual cost of plots, specifically limited to final documents, provided Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for City. Consultant shall provide such documentation to City for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- F. **In-House Plotting** – Consultant shall make arrangements with City for prior written approval of in-house plotting rates prior to submitting these charges for reimbursement. City shall provide Consultant with a standard format for documenting these charges. Completion of City's reproduction log is required as a prerequisite for payment, including the number of plots, the date, time, description, the approved standard rate, and a justification for each submitted charge for reimbursement.
- G. **Communications** – Reimbursement for expenses relating to electronic communications shall be limited to long-distance telephone or fax toll charges specifically required in the discharge of professional responsibilities related to the Project. Telephone service charges including office or cellular phones, WATTS, or Metro line services or similar charges are not reimbursable.
- H. **Postage, Mail, and Delivery Service** – City shall reimburse the actual cost of postage and delivery of Instruments of Service, provided Consultant duly considers all circumstances (including available time for assured delivery) of the required delivery and selects the best value for City, which may require comparison of delivery costs offered by three (3) or more sources or methods of delivery, which at a minimum shall include U.S. Mail. Courier service is acceptable only in circumstances requiring deadline-sensitive deliveries and not for the convenience of Consultant and/or Consultant's employees. Consultant agrees to place these standards in all subcontracts for work on the Project.
- I. **Meals and Other Related Charges** – Meals or any other related expenses are not reimbursable unless incurred outside a fifty (50) mile radius of the Project, and then only reimbursable for the actual cost subject to compliance with City's currently adopted policy. Non-allowable costs include, but are not limited to, charges for entertainment, alcoholic beverages, and gratuities.

EXHIBIT D
CONSULTANT'S GUIDELINES FOR DIRECT EXPENSES; GENERAL AND ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES

III. GUIDELINES FOR GENERAL AND ADMINISTRATIVE MARKUP.

- A. **Requirement of Prior Approval** – Consultant may be allowed to charge a General and/or Administrative Markup on work completed if Consultant can clearly define to City specifically what costs are included in the markup calculation. To apply General and/or Administrative Markup, Consultant must also document to City what costs would be considered direct costs. City shall issue approval in writing to allow Consultant to charge General and/or Administrative Markup. City reserves the right to reject any and all requests for General and/or Administrative Markup.

IV. GUIDELINES FOR TRAVEL AND SUBSISTENCE EXPENSES.

- A. **Requirement of Prior Approval** – City shall reimburse the actual cost of travel and/or subsistence expenses upon prior written approval by City's Project Manager.
- B. **Adherence to Currently Adopted City Travel Policy** – Reimbursements shall be governed by the same travel policies provided for City employees according to current adopted policy. Prior to the event, Consultant shall request, and City's Project Manager shall provide the provisions and the restrictions that apply to out-of-town reimbursements.

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

I. GENERAL INSURANCE REQUIREMENTS –

- A. All policies shall name the City of Sherman, its officers, agents, representatives and employees as additional insured as to all applicable coverage with the exception of workers compensation insurance and professional liability insurance.
- B. Such policies shall require the provision of written notice to City at least thirty (30) days prior to cancellation, non-renewal of any policies, evidenced by return receipt or United States Mail.
- C. Such policies shall provide for a waiver of subrogation against City for injuries, including death, property damage or any other loss to the extent the same is covered by the proceeds of the insurance.

II. INSURANCE COMPANY QUALIFICATION – All insurance companies providing the required insurance shall be authorized to transact business in the State of Texas, and shall have a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

III. CERTIFICATE OF INSURANCE – A Certificate of Insurance and policy endorsement(s) evidencing the required insurance shall be submitted prior to execution of the Agreement. If the Agreement is renewed or extended by City, a Certificate of Insurance and policy endorsement(s) shall also be provided to City prior to the date the Agreement is renewed or extended.

IV. INSURANCE CHECKLIST – "X" means that the following coverage(s) is required for this Agreement.

Coverage Required		Limits
<u> X </u>	1. Worker's Compensation & Employer's Liability	▪ Statutory Limits of the State of Texas
<u> X </u>	2. General Liability	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate
<u> </u>	3. XCU Coverage	▪ Minimum \$1,000,000.00 each occurrence; ▪ Minimum \$2,000,000.00 in the aggregate

EXHIBIT E
CONTRACTOR'S INSURANCE GUIDELINES

-
- | | | | |
|---------------|-----|---|--|
| <u> X </u> | 4. | Professional Liability | <ul style="list-style-type: none">▪ Minimum \$1,000,000.00 each claim;▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 5. | Umbrella Coverage of Excess Liability Coverage | <ul style="list-style-type: none">▪ An amount of \$2,000,000.00▪ Minimum \$2,000,000.00 in the aggregate |
| <u> X </u> | 6. | City and its officers, agents, representatives and employees named as additional insured on General Liability Policy, as provided above. This coverage is primary to all other coverage City may possess. | |
| <u> X </u> | 7. | General Liability Insurance provides for a Waiver of Subrogation against the City for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. All insurance policies that are required to name the City as an additional insured must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance. | |
| <u> X </u> | 8. | Thirty (30) days' notice of cancellation, non-renewal required. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates. | |
| <u> X </u> | 9. | Insurance company has a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s). | |
| <u> X </u> | 10. | The Certificate of Insurance must state the project title and bid number. | |
| <u> </u> | 11. | Other Insurance Requirements (State Below): | |

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1	Name of vendor who has a business relationship with local governmental entity.
---	--

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes☐ No

5	Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.
---	--

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

Signature of vendor doing business with the governmental entity

Date _____

Description

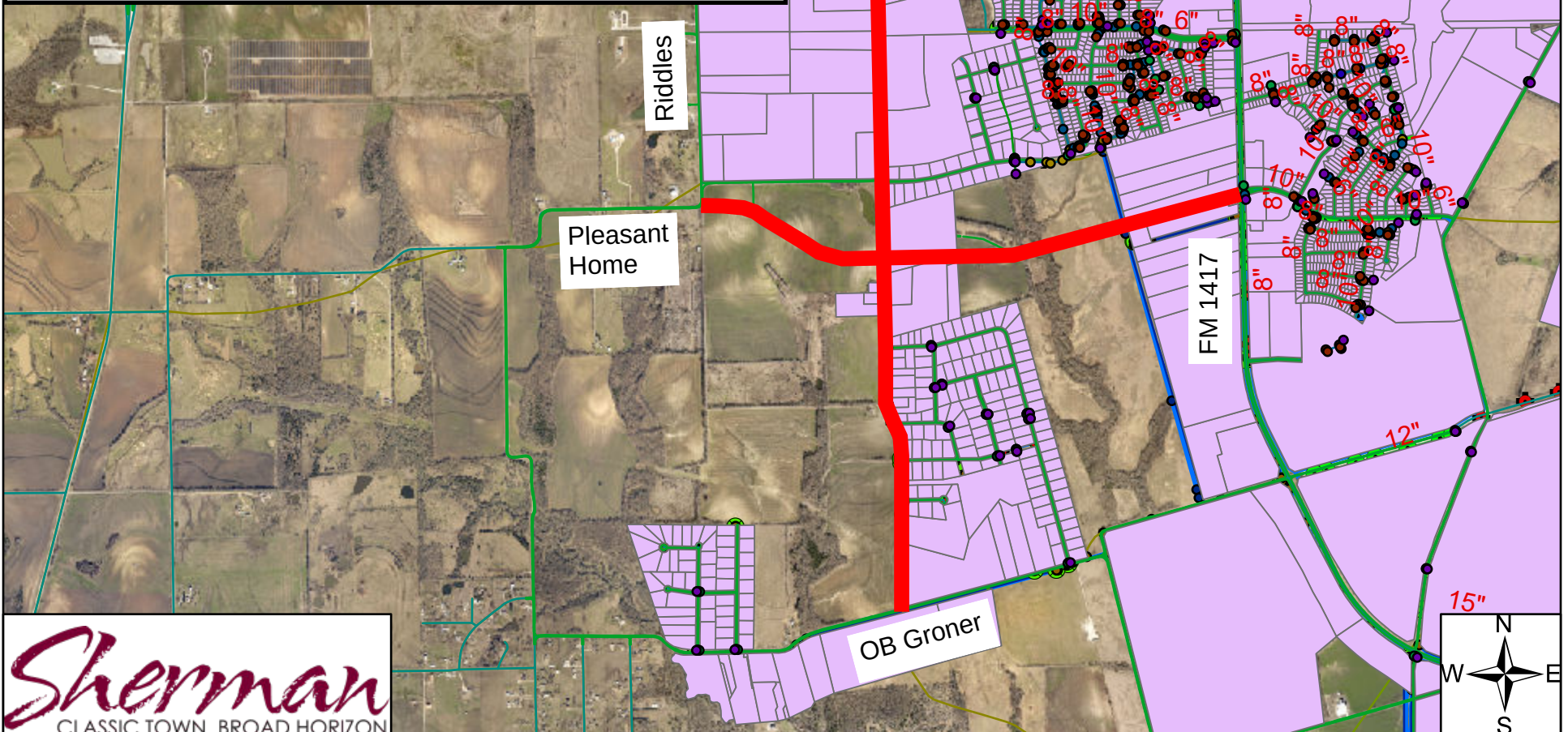
Develop schematic design for expansion of Friendship Road and Pleasant Home Road to a 4 lane boulevard. This will assist in more accurate right-of-way dedications as properties plat and develop along these corridors and help determine where a new transmission water main can be placed in the near future to provide adequate water supply to new developments in south Sherman.

Design (Cobb, Fendley & Associates, Inc.)

- Cost \$573,705 - FY22

Funding

- CO





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 3.

Meeting Date: 02/21/2022

Prepared By: Teri Fine, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6850**

Authorizing the Purchase of Two New Dodge Ram 2500 Pick Up Trucks from Silsbee Ford Through TIPS for the Parks Maintenance Department

Issue:

To consider approval of a resolution to purchase two (2) new Dodge Ram 2500 Pick Up Trucks from Silsbee Ford through TIPS for the Parks Maintenance Department

Background:

The estimated cost for the purchase of these two (2) vehicles is \$99,335.00, through TIPS.

These two new vehicles will be used by our parks maintenance employees.

Quotes from local vendors were solicited for this purchase.

Funding for this purchase was appropriated in the Parks Maintenance fiscal year 2021-2022 budget.

Origination:

Sean Hemperly, Parks & Cemetery Maintenance Superintendent

Financial Consideration:

Funds for this purchase were approved in the FY 2021-2022 budget.

Staff Recommendation:

It is recommended that staff be authorized to purchase the two trucks through TIPS.

Alternatives:

As may be recommended by the City Council

Attachments

Resolution No. 6850

Silsbee Quote

TIPS Interlocal Agreement

RESOLUTION NO. 6850

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE PURCHASE OF TWO NEW DODGE RAM 2500 PICK UP TRUCKS FROM SILSBEE FORD THROUGH TIPS FOR THE PARKS MAINTENANCE DEPARTMENT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed to purchase from Silsbee Ford through TIPS two new Dodge Ram 2500 Pick Up Trucks at a total price of Ninety Nine Thousand three hundred thirty five dollars and zero cents (\$99,335.00). Any agreements related to this purchase must be approved by the City Attorney. Funds for this purchase are being committed out of the City of Sherman's fiscal year 2021-2022 budget.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 21st day of February, 2022.

CITY OF SHERMAN, TEXAS

**BY: _____
DAVID PLYLER, MAYOR**

ATTEST:

**BY: _____
LINDA ASHBY, CITY CLERK**

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

**BY: _____
RYAN D. PITTMAN, CITY ATTORNEY**

INTERLOCAL AGREEMENT
Region VIII Education Service Center
TEXAS PUBLIC ENTITY OR LOCAL GOVERNMENT
(School, College, University, State, City, County, or Other Political Subdivision)

City of Sherman
TEXAS PUBLIC ENTITY

TX 991667
Control Number (TIPS will Assign)

Region VIII Education Service Center
Pittsburg, Texas

225 - 950
County-District Number

Texas Education Code §8.002 permits regional education service centers, at the direction of the Commissioner of Education, to provide services to assist school districts, colleges and universities in improving student performance and increasing the efficiency and effectiveness of school, college and university operations. In addition, authority is granted under Texas Government Code §§ 791.001 *et seq* as amended to enter into Interlocal agreements with said educational entities, as well as, other governmental entities and political subdivisions of Texas and other States. As authorized by applicable statutes and regulations, Cooperative Purchasing Services under this agreement are extended to all Texas State, City or County Government Agencies, or any other Government Entity as defined in the Texas Government Code § 791.003.

This Interlocal Agreement (hereinafter the "Agreement") is effective JUNE 7, 2017 and shall be automatically renewed unless either party gives sixty (60) days prior written notice of non-renewal. This Agreement may be terminated without cause by either party upon (60) days prior written notice, or may also be determined for cause at anytime upon written notice stating the reason for and effective date of such terminations and after giving the affected party a thirty (30) day period to cure any breach.

Statement of Services to be Performed:

Region VIII Education Service Center, by this Agreement, agrees to provide cooperative purchasing services to the above-named public entity through a Program known as the The Interlocal Purchasing System (TIPS) Program.

The purpose of the TIPS Program shall be to obtain substantial savings for participating School District, University, College, Community College, City, County or Other Public Agencies through cooperative purchasing.

Roles of the TIPS Purchasing Cooperative:

1. Provide for the organizational structure of the program.
2. Provide staff for efficient operation of the program.
3. Promote marketing of the TIPS Program.
4. Coordinate the Competitively Bid Process for all Vendor Awarded Contracts.
5. Provide members with procedures for placing orders through TIPS PO System.
6. Maintain filing system for Due Diligence Documentation.

Role of the Public Entity:

1. Commit to participate in the program by an authorized signature on membership forms.
2. Designate a Primary Contact and Secondary Contact for entity.
3. Commit to purchase products and services from TIPS Vendors when in the best interest of the entity.

4. Submit Purchase Orders and/or Vendor Contracts through the TIPS PO System by emailing the pdf document to tipspo@tips-usa.com.
5. Accept shipments of products ordered from Awarded Vendors.
6. Process Payments to Awarded Vendors in a timely manner.

General Provisions:

The Parties agree to comply fully with all applicable federal, state, and local statutes, ordinances, rules, and regulations in connection with the programs contemplated under this Agreement. This Agreement is subject to all applicable present and future valid laws governing such programs.

This Agreement shall be governed by the law of the State of Texas and venue shall be in the county in which the administrative offices of RESC VIII are located which is Camp County, Texas.

This Agreement contains the entire agreement of the Parties hereto with respect to the matters covered by its terms, and it may not be modified in any manner without the express written consent of the Parties.

If any term(s) or provision(s) of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

The Parties to this Agreement expressly acknowledge and agree that all monies paid pursuant to this Agreement shall be paid from budgeted available funds for the current fiscal year of each such entity.

Before any party may resort to litigation, any claims, disputes or other matters in question between the Parties to this Agreement shall be submitted to nonbinding mediation.

No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

This Agreement may be negotiated and transmitted between the Parties by means of a facsimile machine and the terms and conditions agreed to are binding upon the Parties.

Authorization:

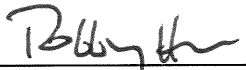
Region VIII Education Service Center and The Interlocal Purchasing System (TIPS) Program have entered into an Agreement to provide cooperative purchasing opportunities to public agencies.

This Agreement was approved by the governing boards of the respective parties at meetings that were posted and held in accordance with the Texas Open Meetings Act, Texas Government Code ch. 551. (If required by the entity.)

The individuals signing below are authorized to do so by the respective parties to this Agreement.

Public Member Entity:

City of Sherman
Entity Name

By: 
Authorized Signature

Title: Robby Hefton – City Manager

June 7, 2017
Date

Purchasing Cooperative Lead Agency:

Region VIII Education Service Center

By: 
Authorized Signature

Title: Executive Director Region VIII ESC

JUNE 7, 2017
Date

Public Entity Contact Information

Craig Long
Primary Purchasing Person Name

405 N. Rusk
Street Address

Sherman, Texas 75091
City, State Zip

903-892-7215
Telephone Number

903-891-0255
Fax Number

craigl@ci.sherman.tx.us
Primary Person Email Address

Tammy Davis
Secondary Person Name

tammyd@ci.sherman.tx.us
Secondary Person Email Address

If your entity does not require you to have an Interlocal Agreement, please go to the TIPS website under Membership and take advantage of online registration. The states of Texas and Arizona **do** require all entities to have an Interlocal Agreement. Other States or governmental jurisdictions may require an Interlocal agreement as well and you are advised to consult your legal counsel to determine the requirements for your entity. Email completed Interlocal Agreement to tips@tips-usa.com.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 4.

Meeting Date: 02/21/2022

Prepared By: Leah Campbell, Human Resources and Organizational Development Administrator

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6851**

Repealing and Replacing Resolution No. 6777; Establishing Salary Structures and Incentive/Certification Pay Schedules for Firefighters and Police Officers; Establishing Special Longevity Pay Schedules for Newly Hired Firefighters and Police Officers; Providing for an Effective Date

Issue:

The City Council is required by state law to establish salary structures and incentive/certification pay schedules for members of the classified service.

Background:

The City Council annually authorizes base salary, certification pay, and incentive pay for certain positions within the Police and Fire Departments. This resolution implements Hazard pay for Police and Fire personnel for a period of 3 full pay periods, effective February 25, 2022 and ending April 9, 2022.

Origination:

Mayor and City Council
City Manager

Financial Consideration:

These cost of these changes will be paid primarily from the federal ARPA Grant.

Staff Recommendation:

Staff recommends approval of the resolution.

Alternatives:

The City Council could choose not to approve the resolution, leaving unchanged the fire and police pay schedules adopted on September 20 2021 by Resolution No. 6777.

Attachments

Resolution No. 6851

Resolution No.(Redline)

RESOLUTION NO. 6851

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REPEALING AND REPLACING RESOLUTION NO. 6777; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Resolution No. 6777, passed and approved on the 20th day of September, 2021, is hereby repealed.

SECTION 2. That, from and after the effective date of the 21st day of February, 2022, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

FIRE DEPARTMENT CLASSIFICATION	MONTHLY BASE SALARY	MONTHLY STEP PAY	TOTAL
FIREFIGHTER			
Entry	\$4,505.25	N/A	\$4,505.25
1 Year	\$4,505.25	\$464.20	\$4,969.45
2 Year	\$4,505.25	\$532.91	\$5,038.16
3 Year	\$4,505.25	\$601.59	\$5,106.84
4 Year	\$4,505.25	\$664.75	\$5,170.00
5 Year	\$4,505.25	\$814.41	\$5,319.66
ENGINEER			
Entry	\$5,735.04	N/A	\$5,735.04
1 Year	\$5,735.04	\$72.21	\$5,807.25
2 Year	\$5,735.04	\$144.99	\$5,880.03
CAPTAIN			
Entry	\$6,423.75	N/A	\$6,423.75
1 Year	\$6,423.75	\$79.51	\$6,503.26
BATTALION CHIEF			
Entry	\$7,082.35	N/A	\$7,082.35
1 Year	\$7,082.35	\$114.00	\$7,196.35

DIVISION CHIEF	\$8,575.62	N/A	\$8,575.62
ASSISTANT CHIEF	\$9,501.18	N/A	\$9,501.18
POLICE DEPARTMENT CLASSIFICATION	MONTHLY BASE SALARY	MONTHLY STEP PAY	TOTAL
PATROLMAN			
Entry – Non-Certified	\$4,592.08	N/A	\$4,592.08
1 Year	\$4,592.08	\$214.59	\$4,806.67
2 Year	\$4,592.08	\$429.17	\$5,021.25
3 Year	\$4,592.08	\$815.42	\$5,407.50
4 Year	\$4,592.08	\$1,030.01	\$5,622.09
5 Year	\$4,592.08	\$1,244.59	\$5,836.67
6 Year	\$4,592.08	\$1,502.09	\$6,094.17
7 Year	\$4,592.08	\$1,716.67	\$6,308.75
CORPORAL			
Entry	\$6,437.50	N/A	\$6,437.50
1 Year	\$6,437.50	\$85.84	\$6,523.34
2 Year	\$6,437.50	\$171.67	\$6,609.17
3 Year	\$6,437.50	\$257.50	\$6,695.00
SERGEANT			
Entry	\$6,866.67	N/A	\$6,866.67
1 Year	\$6,866.67	\$214.58	\$7,081.25
2 Year	\$6,866.67	\$300.42	\$7,167.09
3 Year	\$6,866.67	\$429.17	\$7,295.84
LIEUTENANT			
Entry	\$7,381.67	N/A	\$7,381.67
1 Year	\$7,381.67	\$171.67	\$7,553.34
2 Year	\$7,381.67	\$343.33	\$7,725.00
3 Year	\$7,381.67	\$515.00	\$7,896.67
ASSISTANT CHIEF			
Entry	\$8,583.34	N/A	\$8,583.34
1 Year	\$8,583.34	\$300.42	\$8,883.76
2 Year	\$8,583.34	\$600.83	\$9,184.17
3 Year	\$8,583.34	\$858.33	\$9,441.67

SECTION 3. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.

- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.
- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

SECTION 4. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Employees hired prior to October 1, 2020 shall adopt the following incentive/certification pay schedule:
 - 1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
 - 2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
 - 3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.

4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
 5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
 6. All Certifications shall be kept current to receive Incentive/Certification Pay.
 7. Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
 8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
 9. Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
 10. Education Incentive Pay shall only be paid for the highest degree received.
- (b) Employees hired after October 1, 2020 shall adopt the following incentive/certification pay schedule:
1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$50.00 per month Incentive/Certification Pay.
 2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$100.00 per month Incentive/Certification Pay.
 3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$150.00 per month Incentive/Certification Pay.
 4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
 5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.

6. All Certifications shall be kept current to receive Incentive/Certification Pay.
7. Each employee who holds an Associates Degree from an accredited college or university shall receive \$50.00 per month Education Incentive Pay.
8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
9. Each employee who holds a Masters Degree from an accredited college or university shall receive \$200.00 per month Education Incentive Pay.
10. Education Incentive Pay shall only be paid for the highest degree received.

SECTION 5. That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) Seniority Pay – Lateral Entry (prior Police Experience):

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.
 - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental

seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.
3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.
 - i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service

Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

(c) Hazard Pay – Premium Pay (COVID - 19):

1. Hazard Pay, as defined by the U.S. Department of Labor, is an additional premium compensation paid to employees who are working in hazardous conditions. Hazard Pay is not required by law. Both the amount of pay and the conditions for which it is paid is determined by the employer as a benefit.
2. All active, permanent patrolmen and firemen hired prior to March 1, 2022 are eligible for premium pay for time worked during the eligibility period.
3. The eligibility period will include three (3) full pay periods beginning February 25, 2022 and ending April 9, 2022.
4. Premium Pay will be paid in the amount of fourteen dollars (\$14) an hour for patrolmen and ten dollars (\$10) an hour for firemen. This premium will be paid for time worked during the eligibility period as part of the employee's regular rate of pay. For eligible non-exempt employees, as part of the employee's regular rate of pay, Premium Pay will be included in computing the employee's overtime pay.
5. The City finds authorization of Premium Pay, as outlined herein, serves a legitimate public purpose and is appropriately authorized to compensate eligible employees for work occurring after approval of this Resolution. Further, the City Council finds that authorizing the City Manager to use the City's resources for Premium Pay will serve the health, safety, and welfare of the citizens of the City of Sherman. The City will follow established procedures for use of the identified funds by placing sufficient controls on such expenditures that effect and maintain the public purpose.

SECTION 6. That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

SECTION 7. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 21st day of February, 2022.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

RESOLUTION NO. ~~6777~~

Commented [CL1]: Need new resolution number.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REPEALING AND REPLACING RESOLUTION NO. ~~6675~~⁶⁷⁷⁷; ESTABLISHING SALARY STRUCTURES AND INCENTIVE/CERTIFICATION PAY SCHEDULES FOR FIREFIGHTERS AND POLICE OFFICERS; ESTABLISHING SPECIAL LONGEVITY PAY SCHEDULES FOR NEWLY HIRED FIREFIGHTERS AND POLICE OFFICERS; PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Resolution No. ~~6777~~⁶⁷⁷⁵, passed and approved on the ~~1st~~^{16th} day of ~~December, 2020~~^{October, 2021}, is hereby repealed.

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SECTION 2. That, from and after the effective date of the ~~21st~~ day of ~~October, 2021~~^{February, 2022}, the following salary structures and incentive/certification pay schedules will be adopted for the Sherman Fire Department and the Sherman Police Department:

FIRE DEPARTMENT CLASSIFICATION	MONTHLY BASE SALARY	MONTHLY STEP PAY	TOTAL
FIREFIGHTER			
Entry	\$4,505.25	N/A	\$4,505.25
1 Year	\$4,505.25	\$464.20	\$4,969.45
2 Year	\$4,505.25	\$532.91	\$5,038.16
3 Year	\$4,505.25	\$601.59	\$5,106.84
4 Year	\$4,505.25	\$664.75	\$5,170.00
5 Year	\$4,505.25	\$814.41	\$5,319.66
ENGINEER			
Entry	\$5,735.04	N/A	\$5,735.04
1 Year	\$5,735.04	\$72.21	\$5,807.25
2 Year	\$5,735.04	\$144.99	\$5,880.03
CAPTAIN			
Entry	\$6,423.75	N/A	\$6,423.75
1 Year	\$6,423.75	\$79.51	\$6,503.26
BATTALION CHIEF			
Entry	\$7,082.35	N/A	\$7,082.35
1 Year	\$7,082.35	\$114.00	\$7,196.35

DIVISION CHIEF	\$8,575.62	N/A	\$8,575.62
ASSISTANT CHIEF	\$9,501.18	N/A	\$9,501.18
POLICE DEPARTMENT CLASSIFICATION	MONTHLY BASE SALARY	MONTHLY STEP PAY	TOTAL
PATROLMAN			
Entry – Non-Certified	\$4,592.08	N/A	\$4,592.08
1 Year	\$4,592.08	\$214.59	\$4,806.67
2 Year	\$4,592.08	\$429.17	\$5,021.25
3 Year	\$4,592.08	\$815.42	\$5,407.50
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5 Year	\$4,592.08	\$1,244.59	\$5,836.67
6 Year	\$4,592.08	\$1,502.09	\$6,094.17
7 Year	\$4,592.08	\$1,716.67	\$6,308.75
CORPORAL			
Entry	\$6,437.50	N/A	\$6,437.50
1 Year	\$6,437.50	\$85.84	\$6,523.34
2 Year	\$6,437.50	\$171.67	\$6,609.17
3 Year	\$6,437.50	\$257.50	\$6,695.00
SERGEANT			
Entry	\$6,866.67	N/A	\$6,866.67
1 Year	\$6,866.67	\$214.58	\$7,081.25
2 Year	\$6,866.67	\$300.42	\$7,167.09
3 Year	\$6,866.67	\$429.17	\$7,295.84
LIEUTENANT			
Entry	\$7,381.67	N/A	\$7,381.67
1 Year	\$7,381.67	\$171.67	\$7,553.34
2 Year	\$7,381.67	\$343.33	\$7,725.00
3 Year	\$7,381.67	\$515.00	\$7,896.67
ASSISTANT CHIEF			
Entry	\$8,583.34	N/A	\$8,583.34
1 Year	\$8,583.34	\$300.42	\$8,883.76
2 Year	\$8,583.34	\$600.83	\$9,184.17
3 Year	\$8,583.34	\$858.33	\$9,441.67

SECTION 3. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Fire Department:

- (a) Each employee certified by the Texas Department of State Health Services as a Paramedic and who meets the Sherman Medical Director's prescribed Medical Standards for Medical Authorization shall receive \$125.00 per month Incentive/Certification Pay.

- (b) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Intermediate Firefighter shall receive \$104.00 per month Incentive/Certification Pay.
- (c) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as an Advanced Firefighter shall receive \$218.40 per month Incentive/Certification Pay.
- (d) Each employee who is certified by the Texas Commission on Fire Protection Personnel Standards and Education as a Master Firefighter shall receive \$318.40 per month Incentive/Certification Pay.
- (e) Incentive/Certification Pay shall only be paid for the highest Texas Commission on Fire Protection Personnel Standards and Education Certification achieved.
- (f) All Certifications shall be kept current to receive Incentive/Certification Pay.
- (g) Each employee who holds an Associates Degree from an accredited college or university shall receive \$75.00 per month Education Incentive Pay.
- (h) Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$175.00 per month Education Incentive Pay.
- (i) Each employee who holds a Masters Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
- (j) Education Incentive Pay shall only be paid for the highest degree received.

SECTION 4. That, from and after the effective date of the 1st day of October, 2020, the following incentive/certification pay schedules shall be adopted for the Sherman Police Department:

- (a) Employees hired prior to October 1, 2020 shall adopt the following incentive/certification pay schedule:
 - 1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$75.00 per month Incentive/Certification Pay.
 - 2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$175.00 per month Incentive/Certification Pay.
 - 3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$275.00 per month Incentive/Certification Pay.

4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
 5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.
 6. All Certifications shall be kept current to receive Incentive/Certification Pay.
 7. Each employee who holds an Associates Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
 8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$250.00 per month Education Incentive Pay.
 9. Each employee who holds a Masters Degree from an accredited college or university shall receive \$500.00 per month Education Incentive Pay.
 10. Education Incentive Pay shall only be paid for the highest degree received.
- (b) Employees hired after October 1, 2020 shall adopt the following incentive/certification pay schedule:
1. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Intermediate Peace Officer shall receive \$50.00 per month Incentive/Certification Pay.
 2. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as an Advanced Peace Officer shall receive \$100.00 per month Incentive/Certification Pay.
 3. Each employee certified by the Texas Commission on Law Enforcement Officer Standards and Education as a Master Peace Officer shall receive \$150.00 per month Incentive/Certification Pay.
 4. Incentive/Certification Pay shall only be paid for the highest Texas Commission on Law Enforcement Officer Standards and Education Certification achieved.
 5. Each employee who speaks Spanish as a second language, as certified and designated by the Police Chief, shall receive \$100.00 per month Incentive/Certification Pay.

6. All Certifications shall be kept current to receive Incentive/Certification Pay.
7. Each employee who holds an Associates Degree from an accredited college or university shall receive \$50.00 per month Education Incentive Pay.
8. Each employee who holds a Bachelors Degree from an accredited college or university shall receive \$100.00 per month Education Incentive Pay.
9. Each employee who holds a Masters Degree from an accredited college or university shall receive \$200.00 per month Education Incentive Pay.
10. Education Incentive Pay shall only be paid for the highest degree received.

SECTION 5. That eligible pay types are authorized by the City Council below for patrolmen and firefighters.

(a) **Seniority Pay – Lateral Entry (prior Police Experience):**

1. Seniority Pay is authorized by Chapter 143.041 (c)(1) of the Texas Local Government Code.
2. Applicants for patrolmen positions who are hired after July 31, 2018 shall be eligible for Special Seniority Pay for lateral entry if they have at least two (2) years' continuous service as a paid, full-time certified peace officer, or comparable Military Police experience as approved by the Chief of Police, with the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry applicant shall not have more than a one-year break in service from the time the applicant left employment as a certified peace officer, or Military Police service and, as of the last date, applications are accepted.
3. Starting Pay: The starting pay for lateral entry patrolmen with prior qualifying law enforcement experience will be determined based on the commensurate number of years of prior qualified service at their previous agency or agencies as of the last date applications are accepted.
 - i. Lateral entry patrolmen who have at least two (2) years of prior qualified service will start at two (2) years of service according to the Sherman Police Department pay schedule.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior law enforcement work experience will not be considered for promotional eligibility requirements, departmental

seniority or transfers. Department seniority for lateral patrolmen will begin on their most recent Civil Service hire date with the Sherman Police Department. Exception will be made for reappointed patrolmen in which seniority will include all time served as a paid Sherman Police Officer.

5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by police policies and Local Civil Service Commission Rules and Regulations. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for the Police Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.
6. Longevity Pay: Sworn police employees shall be paid Longevity Pay in accordance with City policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.

(b) Seniority Pay – Lateral Entry (prior Fire Experience):

1. Seniority Pay is authorized by Chapter 143.041(c)(1) of the Texas Local Government Code.
2. Applicants for firefighter positions who are hired after December 16, 2018 shall be eligible for Special Longevity pay for lateral entry if they have at least one (1) year of continuous service as a paid, full time certified firefighter as approved by the Fire Chief. A lateral entry applicant shall not have more than a one (1) year break in service from the time the applicant left employment as a certified firefighter as of the date of hire.
3. Starting Pay: The starting pay for lateral firefighters will be determined based on the number of years of prior qualified service as of the date of hire.
 - i. Lateral entry firefighter's starting pay will be determined based on the commensurate number of years of qualified service at their previous agency or agencies as of the date of hire.
4. Departmental Seniority Impact: The Lateral Entry Program described in this Sub-Section is for seniority pay purposes only to determine placement into the existing pay schedule. Prior fire work experience will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry firefighters will begin on their most recent Civil Service hire date with the Sherman Fire Department.
5. Requirements: Guidelines and administration for eligibility for lateral entry shall be governed by fire department policies and Local Civil Service

Commission Rules and Regulations. The Fire Chief shall make the final determination as to whether an applicant meets the criteria for the Fire Lateral Entry Program; and the Chief's decision shall be final and non-appealable to the Civil Service Commission or to any court.

6. Longevity Pay: Fire department employees shall be paid Longevity Pay in accordance with City Policy, Chapter 142 of the Texas Local Government Code, and as permitted under Chapter 143.041(c)(1) of the Texas Local Government Code. City policy provides specifics on administration and application.
7. Base pay for incumbent firefighters, hired prior to the adoption date of this Resolution who have at least one (1) year of prior qualified service will be increased to the commensurate number of years of service according to the Sherman Fire Department pay schedule.

(c) Hazard Pay – Premium Pay (COVID - 19):

1. Hazard Pay, as defined by the U.S. Department of Labor, is an additional premium compensation paid to employees who are working in hazardous conditions. Hazard Pay is not required by law. Both the amount of pay and the conditions for which it is paid is determined by the employer as a benefit.
2. All active, permanent patrolmen and firemen hired prior to March 1, 2022 are eligible for premium pay for time worked during the eligibility period.
3. The eligibility period will include three (3) full pay periods beginning February 25, 2022 and ending April 9, 2022.
4. Premium Pay will be paid in the amount of fourteen dollars (\$14) an hour for patrolmen and ten dollars (\$10) an hour for firemen. This premium will be paid for time worked during the eligibility period as part of the employee's regular rate of pay. For eligible non-exempt employees, as part of the employee's regular rate of pay, Premium Pay will be included in computing the employee's overtime pay.
5. The City finds authorization of Premium Pay, as outlined herein, serves a legitimate public purpose and is appropriately authorized to compensate eligible employees for work occurring after approval of this Resolution. Further, the City Council finds that authorizing the City Manager to use the City's resources for Premium Pay will serve the health, safety, and welfare of the citizens of the City of Sherman. The City will follow established procedures for use of the identified funds by placing sufficient controls on such expenditures that effect and maintain the public purpose.

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SECTION 6. That detailed rules and regulations for qualifying standards, eligibility and administration of such pay types may be stated within the City and/or Police Department policies and/or Fire Department policies, and/or Local Civil Service Commission Rules and Regulations. Such policies are subject to change as needed and approved by the City Manager for purposes of City policies or by the Chief of Police for purposes for Police Department policies, by the Fire Chief for purposes of Fire Department policies, or by the Local Civil Service Commission for the purposes of Local Civil Service Commission Rules and Regulations.

SECTION 7. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the _____ day of _____, 2021.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

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

BY: _____
RYAN PITTMAN, CITY ATTORNEY



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 1.

Meeting Date: 02/21/2022

Prepared By: Theresa Hutchinson, Parks & Recreation Manager

Approved By: Robby Hefton, City Manager

Caption:

***REQUEST TO ADVERTISE**

Design & Construction of Basketball, Tennis, and Pickleball Court Improvements at Fairview Park

Issue:

Requesting to advertise for the design & construction of basketball, tennis, and pickleball courts at Fairview Park

Background:

At the May 15, 2017 meeting, the City Council approved and adopted the 2017 Parks Master Plan. Expansion of current park infrastructure is necessary to address increased growth and usage at Fairview Park. Addressing increased public activities needs among City parks is consistent with the Parks Master Plan.

Origination:

Parks and Recreation Department

Financial Consideration:

The costs for advertising will be about \$400.00.

Funding for these improvements was approved in the FY 2021-2022 budget as part of the Capital Improvement Program.

Staff Recommendation:

It is recommended that the City Council approve the request to advertise.

Alternatives:

As may be directed by the City Council



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 2.

Meeting Date: 02/21/2022

Prepared By: Tom Pruitt, Utility Engineer

Approved By: Robby Hefton, City Manager

Caption:

*** REQUEST TO ADVERTISE**

Water Treatment Plant Emergency Generator

Issue:

Requesting permission to advertise for bids the construction of the Water Treatment Plant Emergency Generator

Background:

In response to the February 2021 power outage and subsequent Council approval to install an emergency backup generator, the Engineering Department is requesting permission to advertise for competitive bidding to contractors to provide and install the new Water Treatment Plant back up generator.

Origination:

Engineering Department

Financial Consideration:

This project is estimated to cost approximately \$1,400,000.00; funding will be available in the 2022 GTUA Open Market Budget.

The cost of advertising is expected to be less than \$500.00.

Staff Recommendation:

It is recommended that the City Council authorize the staff to advertise the project for bid.

Alternatives:

As may be directed by the City Council

Attachments

Location Map



Sherman
CLASSIC TOWN. BROAD HORIZON.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

F. 3.

Meeting Date: 02/21/2022

Prepared By: Tom Pruitt, Utility Engineer

Approved By: Robby Hefton, City Manager

Caption:

***REQUEST TO ADVERTISE**

Sycamore to Evergreen Sanitary Sewer Replacement Project

Issue:

Requesting permission to advertise for bids the construction of the Sycamore to Evergreen Sanitary Sewer Replacement Project

Background:

This project is part of the 2022 Capital Improvement Program Budget. This project will replace approximately 320 feet of existing undersized sewer lines.

Origination:

Engineering Department

Financial Consideration:

This project is estimated to cost approximately \$125,000.00; funding is available in the 2021 GTUA Open Market Budget. The cost of advertising is expected to be less than \$500.00.

Staff Recommendation:

It is recommended that the City Council authorize the staff to advertise the project for bid.

Alternatives:

As may be directed by the City Council

Attachments

Location Map



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

G. 1.

Meeting Date: 02/21/2022

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Appoint Director of Finance Mary Lawrence to the Sherman Hospital Board

Issue:

To Appoint Director of Finance Mary Lawrence to the Sherman Hospital Board

Background:

As part of the development of the proposed Sherman Hospital facility, the developers have now progressed to the point of needing to establish a Board of Directors for the hospital, whose responsibility for the next few years is to help provide guidance to oversee the construction and opening of the new facility. The developers and project consultants recommended that the City Council appoint a City representative to Board, comprised of either a Council member or a City staff member. Staff is proposing to appoint Mary Lawrence, Finance Director for the City, to the Board. Mary is a CPA and has the needed financial background to represent the City during this crucial phase of hospital development. The City Council can make changes to its appointment as needed in the future.

Origination:

City Manager's Office

Financial Consideration:

None

Staff Recommendation:

Staff recommends appointing Mary Lawrence to the Sherman Hospital Board

Alternatives:

As directed by Council



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

G. 2.

Meeting Date: 02/21/2022

Prepared By: Rob Rae, Director of Development Services

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Determination of Hickory Hill Planned Development for less than 200 Acres.

Issue:

The Development Services Department has received a request for a proposed planned development with the City of Sherman's Extra-Territorial Jurisdiction (ETJ). The proposed development is less than 200 acres and requires City Council approval to even be considered for a planned development district.

Background:

Hickory Hill is a 154-acre proposed planned development consisting of single-family, low-density multifamily, and commercial properties. Building towards the City's vision of pedestrian connectivity, the developer proposes hike and bike trails to provide future connection to the City's existing public parks and to amenitize the existing 7-acre pond (regional detention structure) for public use. In the past, the City has developed park facilities around the other regional detention structures - Dean Gilbert Lake/Pecan Grove Park, and Herman Baker Lake/Baker Park - so the developers plan for park space, green space/open space, and trails is consistent with what has been done in the past.

The amount of usable open space provided is proposed to be three times that required by ordinance. The low-density multifamily is proposed to be a mix of one to two-story single-family residences and townhomes connected by open space meadows and community gardens. The preliminary proposed uses for commercial properties are a potential Montessori School, Office Condos, and a Dog Boarding Facility.

City staff has met with a proposed developer wanting to develop at the corner of West Lamberth Drive and the future Friendship Road. The developer is requesting to apply for a Planned Development district for this development. However, since the proposed development is less than 200 acres, City Council is required to approve the request before the application can be submitted. The City of Sherman's Zoning Ordinance regarding Planned Development Districts states the following:

"(a) Minimum Size. A PD district shall be established with a minimum of 200 acres, sufficient to accommodate a large master-planned community. The City Council may consider requests for a PD smaller than 200 acres if it is demonstrated that the project satisfies all other eligibility and approval criteria except for the minimum size. In no case shall the development area of a new PD district be less than 100 acres." (Code of Ordinances, Chapter 14, Exhibit A, Section 6.12(4)(a)).

If the proposed planned development is approved to move forward by City Council, the developer will then be allowed to submit the planned development application which will include following: application form, application fee, draft development plan, property survey, and the current deed showing property ownership. Following the application submittal, the Planning and Zoning Commission will take action. If approved by the Planning and Zoning Commission, City Council will then hear the request.

Origination:

Linesight Development (Developer)
Hickory Hill, LLC (Owner)

Financial Consideration:

None.

Staff Recommendation:

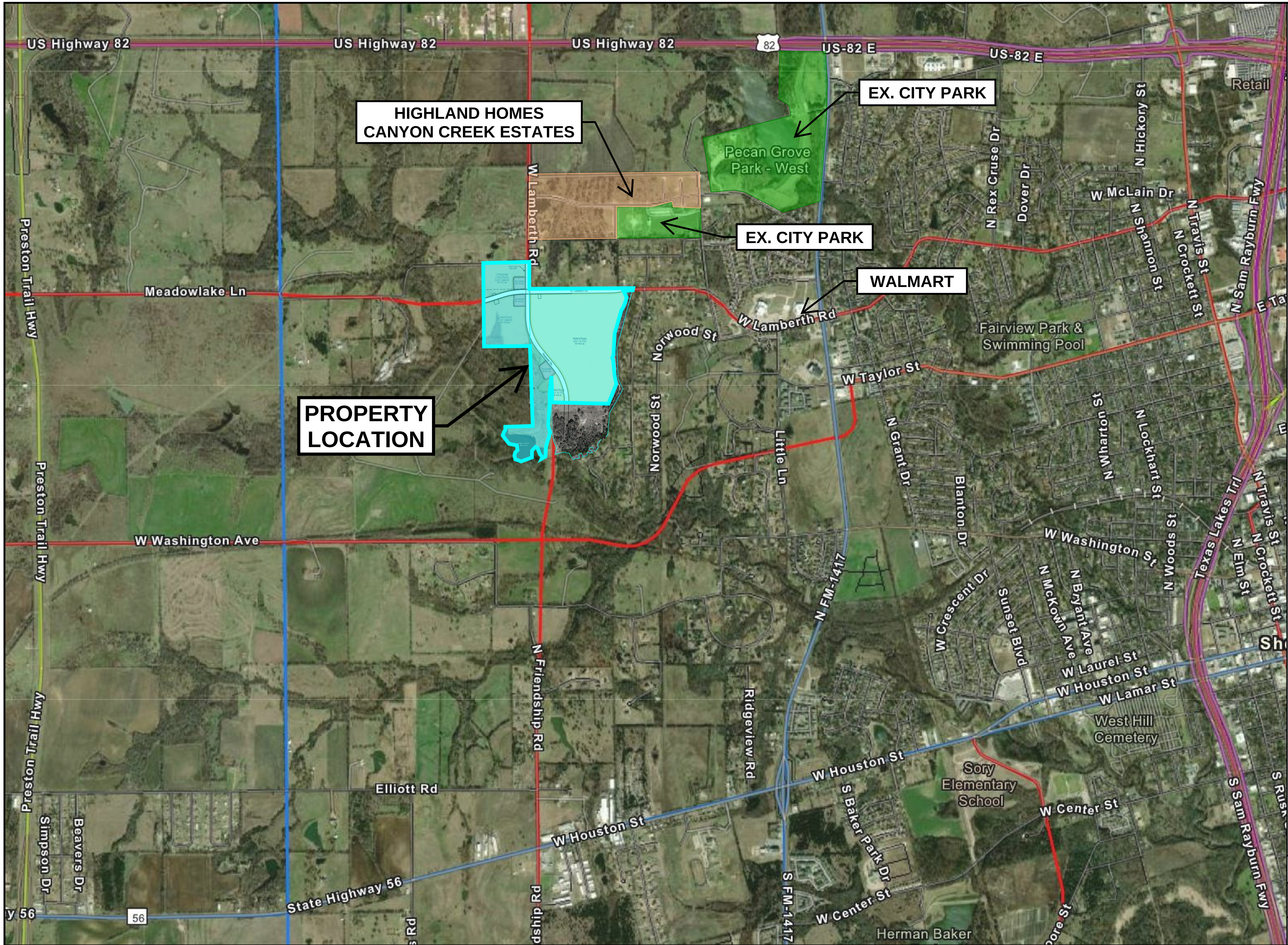
Staff recommends that Council take action on this item.

Alternatives:

The City Council could deny the request.

Attachments

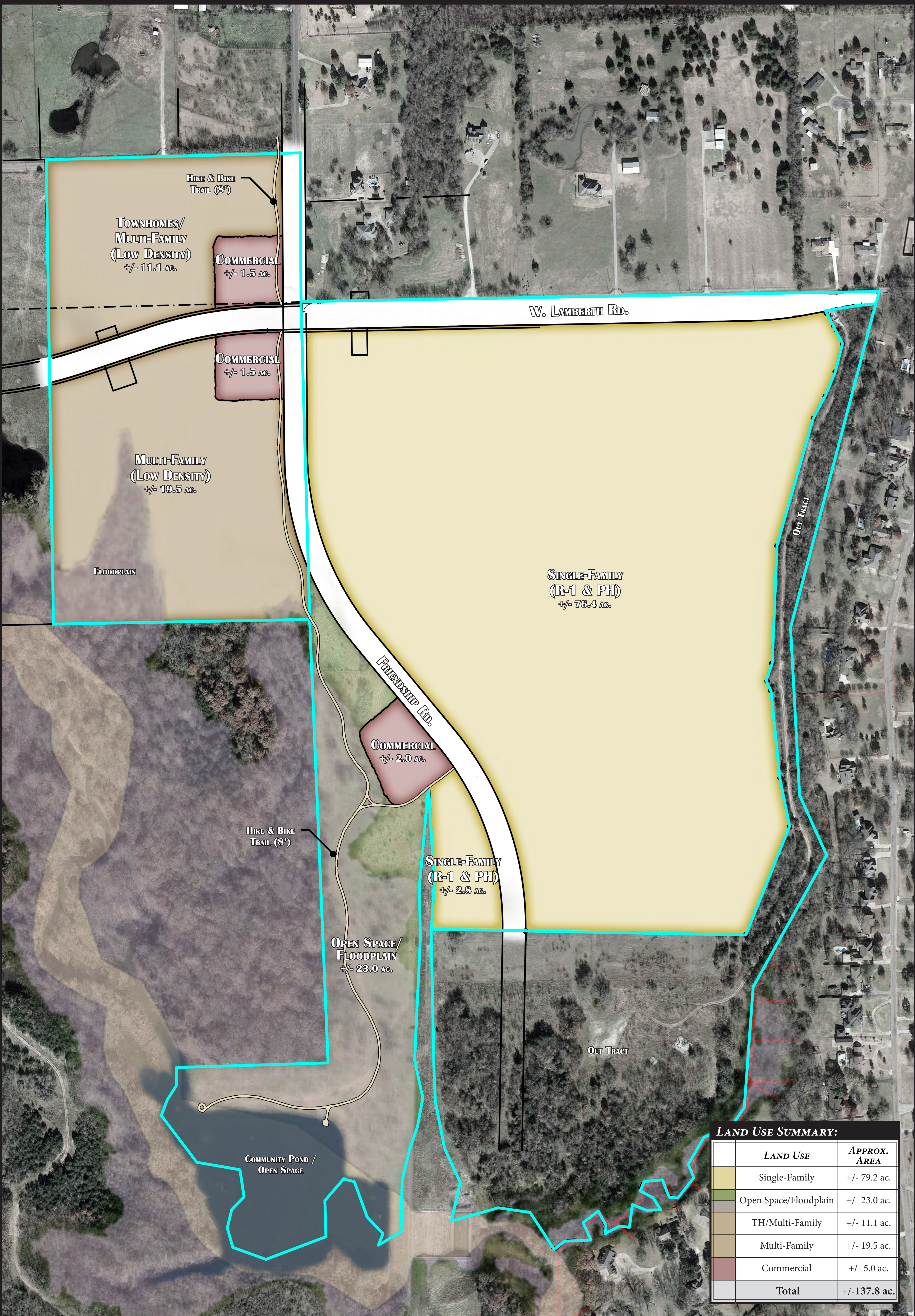
Hickory Hill Location Map
Hickory Hill Conceptual Plan



SCALE: NTS

HICKORY HILL

LOCATION MAP



LAND USE SUMMARY:		
	LAND USE	APPROX. AREA
	Single-Family	+/- 79.2 ac.
	Open Space/Floodplain	+/- 23.0 ac.
	TH/Multi-Family	+/- 11.1 ac.
	Multi-Family	+/- 19.5 ac.
	Commercial	+/- 5.0 ac.
	Total	+/-137.8 ac.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

G. 3.

Meeting Date: 02/21/2022

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Discuss and Consider Approval of the Budget Calendar for Fiscal Year (FY) 2022-2023

Issue:

Set budget calendar for FY 2022-2023

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 2022-2023, this five-year time horizon will include 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.

A workshop to develop the five-year Capital Improvement Plan as required by City Charter will be held separately.

Origination:

Robby Hefton, City Manager

Financial Consideration:

None

Staff Recommendation:

The staff recommends that the Council, **by motion and order**, approve the budget calendar as presented.

Alternatives:

The City Council could select alternative dates for the meetings, subject to Charter requirements.

Attachments

Proposed Budget Calendar 2022-2023

PROPOSED BUDGET CALENDAR

FISCAL YEAR 2022 -2023

Budget Planning Meeting with City Council and Financial Update	April 22, 2022
Capital Improvement Program Work Session	May 26, 2022
Budget Workshop*	June 16-17, 2022

Present Draft Budget to Council Tax Rates Submitted to Council for Consideration	August 1, 2022
Public Hearing and Final Action on Budget Ordinance	August 15, 2022
Public Hearing and Final Action on Tax Rate Ordinance	August 15, 2022

Notes:

Meeting times to be confirmed after the Budget Calendar is approved.

It is recommended that the Budget Planning Meeting 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.



City Council Regular Meeting

H. 1.

Meeting Date: 02/21/2022

Approved By: Robby Hefton, City Manager

Caption:

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

(a) Library Board (4)

Issue:

Nick Keating and John West's terms on the Library Board expired on January 8, 2022. They have both served three terms and are not eligible for reappointment. Laurie Mealy's term expired on January 9, 2022, and Donna Nesbit's term expired on February 5, 2022. Ms. Mealy and Ms. Nesbit are both eligible and do wish to serve again. There are no other applications on file for this board.

Background:

The Library Board serves in an advisory capacity to the City Librarian, the City Manager and the City Council.

Origination:

The reappointments originated with the City Clerk's Office.

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

It is the staff recommendation that the City Council reappoint Ms. Mealy and Ms. Nesbit to the Library Board.

Alternatives:

The alternative is to delay reappointments for service on the Board.

Attachments

Roster

Fact Sheet

Applicant List

Donna Nesbit Reappointment Letter

Laurie Mealy Reappointment Letter

MEMBERSHIP ROSTER

LIBRARY BOARD

LENGTH OF TERMS: THREE YEARS
Term Limit: Three Consecutive Terms

MEMBER	DISTRICT	TERM BEGINS	TERM EXPIRES	TERMS	MEMBERSHIP REQUIREMENTS
Lisa Hébert	4	A 3/20/2016 R 3/20/2019	3/20/2019 3/20/2022	1 2	Members are required to be residents of Sherman; have knowledge of Library Affairs and operations; and appreciate books.
Randy Hudson	4	A 4/7/2015 R 4/7/2018 R 4/7/2021	4/7/2018 4/7/2021 4/7/2024	1 2 3	
Laurie Mealy	1	A 1/19/2016 R 1/19/2019	1/19/2019 1/19/2022	1 2	
Nick Keating	4	A 1/8/2013 R 1/8/2016 R 1/8/2019	1/8/2016 1/8/2019 1/8/2022	1 2 3	
John West	1	A 1/8/2013 R 1/8/2016 R 1/8/2019	1/8/2016 1/8/2019 1/8/2022	1 2 3	
Cort Myrick	n/a	U 5/4/2021	8/4/2023	1	
Donna Nesbit	4	A 2/5/2019	2/5/2022	1	

NOTE:

FACT SHEET

LIBRARY BOARD

Established by ORDINANCE 1736 – APRIL 14, 1948; REVISED ORDINANCE 4223 – OCTOBER 21, 1991; REVISED ORDINANCE 4367 – OCTOBER 3, 1994

1. Number of Members: SEVEN
2. Term of Appointment: THREE YEARS
3. Consecutive Term Rule: THREE TERMS – ORDINANCE 4223 (10/21/91)
4. Qualifications for Membership: RESIDENTS OF SHERMAN; KNOWLEDGE OF LIBRARY AFFAIRS AND OPERATION; APPRECIATION OF BOOKS
5. Appointed by: MAYOR AND CITY COUNCIL
6. Board Organization

CHAIRPERSON E VICE CHAIRPERSON _____ SECRETARY E _____

ELECTED E APPOINTED _____
7. Departmental Responsibility: DIRECTOR OF LIBRARY SERVICES
8. Meeting Date: NO RULE – AS SET BY BOARD BY-LAWS
9. Attendance Requirements: NO RULE – AS SET BY BOARD BY-LAWS

=====

PURPOSE:

Shall serve in an advisory capacity with the City Librarian, the City Manager and the City Council.

RESPONSIBILITIES:

Said Board shall have no authority to bind the City of Sherman to any contract or interfere in any manner with City operations of Library Services.

APPLICANT LIST

Library Board

Positions Vacant 4

Applicant	Address	District	Qualifications
Laurie Mealy	1109 N. Leslie	1	Current Member; Wishes to be Reappointed
Donna Nesbit	1701 Archer	4	Current Member; Wishes to be Reappointed

COMMENTS:

February 10, 2022

Donna Nesbit
1701 Archer
Sherman, Texas 75092



RE: Library Board

Dear Ms. Nesbit:

Your term on the Library Board expired on February 5, 2022. You are eligible for reappointment to the Board. Please let me know whether or not you are interested in reappointment to this board by checking the appropriate statement at the bottom of this letter and returning a copy to me at the address below. If you have any questions or need additional information, please don't hesitate to contact me.

Best regards,

Linda Ashby

Linda Ashby
City Clerk

cc: Melissa Eason, Library Services Administrator

☒

I do wish to be considered for reappointment to this board

☐

I do not wish to be considered for reappointment to this board

Donna Nesbit

Signature

2/14/2022

Date

Please return to: City of Sherman
City Clerk's Office
P.O. Box 1106
Sherman, Texas 75091-1106

PUBLIC RECORDS DEPARTMENT
Phone No. (903) 892-7204
Fax No. (903) 892-7394



February 10, 2022

Laurie Mealy
1109 N. Leslie
Sherman, Texas 75092

RE: Library Board

Dear Ms. Mealy:

Your term on the Library Board expired on January 19, 2022. You are eligible for reappointment to the Board. Please let me know whether or not you are interested in reappointment to this board by checking the appropriate statement at the bottom of this letter and returning a copy to me at the address below. If you have any questions or need additional information, please don't hesitate to contact me.

Best regards,

Linda Ashby

Linda Ashby
City Clerk

cc: Melissa Eason, Library Services Administrator

X

I do wish to be considered for reappointment to this board

I do not wish to be considered for reappointment to this board

Laurie Mealy

Signature

Feb. 13, 2022

Date

Please return to: City of Sherman
City Clerk's Office
P.O. Box 1106
Sherman, Texas 75091-1106



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 02/21/2022

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2022 Council Calendar

2022 Council Calendar

January						
Su	Mo	Tu	We	Th	Fr	Sa
						1
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30	31					

February						
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May						
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29	30	31				

June						
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July						
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31						

August						
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September						
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October						
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30	31					

November						
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December						
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25	26	27	28	29	30	31

	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	City Council Called Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
1/18/2022	Rescheduled - Martin Luther King, Jr. Day
2/9/2022	Capital Improvement Program Planning Session
2/23/2022	Joint Meeting - Legal Training
7/5/2022	Rescheduled - Independence Day
9/6/2022	Rescheduled - Labor Day