

**CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
MONDAY, FEBRUARY 3, 2020
5:00 P.M.**

- A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN**
- A. 2. PLEDGE OF ALLEGIANCE LED BY MAYOR DAVID PLYLER**
- A. 3. INVOCATION BY MAYOR DAVID PLYLER**
- A. 4. APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF JANUARY 21, 2020**

Citizen Requests

- B. 1. CITIZEN REQUESTS**

Public Hearing

- C. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6280**
Establishing Maximum, Reasonable and Prudent Rates of Speed on Certain Portions of U.S. Highway 75 and U.S. Highway 82 in the Corporate Limits of Sherman, Grayson County, Texas; Fixing Penalties for Violation Thereof; Declaring an Emergency
- C. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6281**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow an Inpatient Hospital in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District at 2022 North Highway 75, being Lot 2, Block 2, Independence Square Addition, Section Three, a Replat of part of Lot 1, Block 2 (Medistar Corporation, Owners; Mark Jang, Representative; KAIM Associates, Inc., Architect; KRG Civil Engineers, Inc., Civil Engineer; and Underwood Drafting and Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00
- C. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6282**
Closing and Abandoning the Platted Right-of-Way being J. Fielding Circle, east of Rex Cruse Drive, as shown on Plat in Volume 1, Page 109 of the Plat Records of Grayson County, Texas, dedicating Ownership of said Right-of-Way to the surrounding owner, North Park Baptist Church, being more particularly described and shown in the Exhibit "A" attached hereto and made a part hereof for all purposes

Close Public Hearing and Consider Adoption of Ordinances

- C. 4. ADOPTION OF ORDINANCES**
Consider Adoption of Ordinance Numbers: 6280, 6281 and 6282

C. 5. CONSENT AGENDA

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

Resolutions

D. 1. RESOLUTION NO. 6583

Relating to Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project); and Approving the Issuance Thereof and the Facilities to be Constructed or Acquired by such Authority

D. 2. RESOLUTION NO. 6584

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Denison, Texas

D. 3. RESOLUTION NO. 6585

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Howe, Texas

D. 4. RESOLUTION NO. 6586

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Van Alstyne, Texas

D. 5. RESOLUTION NO. 6587

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Pottsboro, Texas

D. 6. RESOLUTION NO. 6588

Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC based on an Invitation to Bid for Construction of the Moore Street from West Travis Street to Park Avenue Project

D. 7. RESOLUTION NO. 6589

Authorizing the Acceptance of Conveyance Documents from Caladium Investments, LLC for the Conveyance and Acquisition of approximately 0.6092 acres of land, more or less, in the Elizabeth Jones Survey, Abstract No. 625, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, property being located in the City of Sherman, County of Grayson, State of Texas

D. 8. * RESOLUTION NO. 6590

Authorizing Execution of a Professional Engineering Services Agreement with Freeman-Millican, Inc. for Design of the Sherman First Street to Rosedale Sewer Replacement Project

D. 9. * RESOLUTION NO. 6591

Authorizing Execution of a Drainage Agreement with GO Properties 7, LLC

Other Business

E. 1. OTHER BUSINESS

Receive Impact Fee Presentation from Jeff Whitacre, Vice President of Kimley-Horn and Associates, Inc.

E. 2. OTHER BUSINESS

Receive Community and Support Services Manager Nate Strauch's Presentation regarding the City of Sherman's "Quality Neighborhoods Program"

E. 3. OTHER BUSINESS

Consider Calling a Special Meeting of the City Council for a Training Workshop to be Conducted by E. Allen Taylor, Jr., Founding Partner of Taylor, Olson, Adkins, Sralla and Elam, LLP on Wednesday, February 12, 2020

E. 4. * OTHER BUSINESS

Site Plan and Variance Approval to Ordinance No. 2252, Article IV, Section 410 (2)(j) and (2)(g)(2) for a GlobiTech Power Generation Facility and Improvements with a 10' rear setback in lieu of the required 55.7' in the Blalock Industrial Park at 200 West F.M. 1417 (Heritage Parkway)

E. 5. * OTHER BUSINESS

Replat Approval of Bluebonnet Petz Addition, being a Replat of all of Lots 8 & 9, Block 1 of the Preston Meadows Subdivision in the City of Sherman's Extra Territorial Jurisdiction (ETJ); being all of Lots 8 & 9, Block 1, Preston Meadows Subdivision, containing 2.926 acres in the Robert Atchison Survey, Abstract No. 28; Matthew Petz, Owner, and CBG Surveying Texas, LLC, Surveyor (59 and 101 Bluebonnet Lane)

F. MEDIA QUESTIONS

Consider Board/Commission Appointments

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

(a) Parks and Recreation Advisory Board (3)

H. COUNCIL COMMENTS

Executive Session

I. 1. EXECUTIVE SESSION

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

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

The Council reconvenes into General Session

J. 1. OPEN MEETING

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

K. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on January 30, 2020 at 4:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 30th day of January, 2020.
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

Willie Steele

Council Members

Willie Steele, Council-At-Large, PL #1
Sandra Melton, Council-At-Large, PL #2
Shawn C. Teamann, Council – District #1

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



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

A. 4.

Meeting Date: 02/03/2020

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE CALLED CITY COUNCIL MEETING OF JANUARY 21, 2020

Attachments

January 21, 2020

January 21, 2020

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

CALL TO ORDER

CALL TO ORDER

APPROVE MINUTES

CITIZENS REQUESTS

CONSENT AGENDA

**RES 6581
WATER TREATMENT
PLANT CONCENTRATE
WATER LINE PROJECT**

Tom Pruitt, Utility Engineer, said this resolution is to hire an engineering firm to design, prepare plans and specifications, and construction services for the Water Treatment Plant Concentrate Water Line Project. This project is part of the 2020 Capital Improvement Program. Associated with the new Water Treatment Plant expansion.

Robby Hefton, City Manager, said there is sufficient capacity in the existing line, but this line is the discharge line, which will be needed in the future. The line is designed to take this brine

product and send it to the Treatment Plant through a different mechanism.

He said there are also plans in the future, to possibly discharge directly into the Red River, through a 10 to 13-mile pipeline. This could possibly be the first leg of that future project.

The current project was included in the CIP and this agreement is for the engineering portion and not for construction. Mayor Plyler confirmed that this design was determined to be the best route at this time, but might be slightly adjusted in the future.

ACTION TAKEN.

Motion by Council Member Stevenson to adopt Resolution No. 6581, as presented. Second by Council Member Melton.

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

VOTING NAY: None.

MOTION CARRIED.

RESOLUTION NO. 6582 – AUTHORIZING EXECUTION OF AN AGREEMENT WITH JOSE TOBAR AND JOVANI MENJIVAR FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 523 EAST EVERGREEN STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH JOSE TOBAR AND JOVANI MENJIVAR FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 523 EAST EVERGREEN STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10).
CONSENT AGENDA.

RES 6582
RESIDENTIAL TAX
ABATEMENT
(523 E. EVERGREEN)

CHANGE ORDER NO. 1

WEST TRAVIS STREET PHASE II & III PROJECT; LYNN VESSELS CONSTRUCTION, LLC.; \$209,222.10 INCREASE

Clint Philpott, Assistant City Manager, said this was the first Change Order for this phase of West Travis Street. It includes a proposed masonry retaining wall, parallel to an existing gas line, removal of some fill dirt under the proposed paving, and some additional sod along the sidewalks and right-of-way.

CHANGE ORDER
WEST TRAVIS STREET
PHASE II & III

The Change Order was in the amount of a \$209,222.10 increase to Lynn Vessels Construction. The total construction cost is \$4.98 million. The project is expected to be completed before August 2020.

Council Member Melton asked why the staff didn't "see this coming." Mr. Philpott said the staff originally proposed a slope instead of the retaining wall. It was over a gas easement, so the plan was submitted to Atmos, however they did not agree. Bids were taken prior to their decision, in order to keep the project on schedule.

COUNCIL MINUTES – JANUARY 21, 2020

Mr. Hefton said the transmission line is a high pressure transmission line, and Atmos required the masonry wall. It was not unforeseen, but the City was hoping that Atmos would approve the slope. He added that was the most significant part of the Change Order.

He said the original plan also called for hydromulch, but that process takes a long time to set. Since the project will be completed in the Spring or Summer, and this will be the corridor to the new high school, the contractor suggested that the City use sod instead.

Council Member Melton asked if the Sherman Independent School District could share in some of the cost since it was the gateway to their new building. Mr. Hefton said it was the City's preference too, and establishes erosion control, as well as aesthetics.

Council Member Stevenson added that one of the downsides of hydromulch is that in the Summer, with no rain, it would have to be watered to keep it alive. He added that hydromulch is cheaper, but sod is better. Deputy Mayor Steele agreed that you lay sod and you're done, but with hydromulch, you would have to come back multiple times.

Council Member Stevenson asked what percentage the Change Order was of the total project. Mr. Hefton said it was a \$5 million project, so the Change Order was 3% or 4% of the total cost. Mr. Philpott said the original budget was \$6.5 million to \$7 million, but they don't normally build in contingencies. Mr. Hefton said the project came in over \$2 million under budget.

Mayor Plyler said the Council was trying to be sure the Change Order did not exceed the original budget. The cost is still "way below" the original budget, and the project is being enhanced. Deputy Mayor Steele added that he felt this Change Order was "justifiable."

ACTION TAKEN.

Motion by Deputy Mayor Steele to approve Change Order No. 1 to Lynn Vessels Construction, LLC, in the amount of a \$209,222.10 increase, for the West Travis Street Phase II and III Project, as presented. Second by Council Member Stevenson.

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

VOTING NAY: None.

MOTION CARRIED.

OTHER BUSINESS

RECEIVE AN UPDATE ON LEADERSHIP SHERMAN'S CLASS PROJECT, "WAGS AND WHISKERS"

Council Member Melton thanked the Leadership Sherman class members that were in attendance and highly recommended the class to other citizens.

**LEADERSHIP
SHERMAN CLASS
PROJECT
(WAGS & WHISKERS)**

COUNCIL MINUTES – JANUARY 21, 2020

They determined that their class project would be at the Animal Shelter, and they have completed two events per month since they started in December 2019. These events include the Christmas Parade, Barks and Beverages at the Animal Shelter, and proceed donations from Buffalo Wild Wings and Chick-fil-A.

They also had an event at Harley Davidson this past weekend, and she thanked Tyson Foods for grilling hamburgers, Albertsons in Sherman and Denison for donating drinks, and Sam's Club for donating chips.

Events are also scheduled for Cackle & Oink on February 5, 2020, and Stone Creek Golf Club on February 22-23, 2020. To date, the class has raised \$25,123, and their goal is \$30,000. She said there are many things that are needed at the Animal Shelter and she urged citizens to continue donating.

Council Member Melton said the project is scheduled to be complete by the end of April 2020. She thanked the class members and the community for participating in the project.

MEDIA QUESTIONS

There were no media questions.

MEDIA QUESTIONS

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO
BOARDS AND COMMISSIONS

MAIN STREET ADVISORY BOARD (1)
ACTION TAKEN.

Motion by Council Member Howeth to appoint Tommi Sue Homuth, to the Main Street Advisory Board, to fill an unexpired term from January 22, 2020 to March 31, 2020.

Second by Deputy Mayor Steele.

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

VOTING NAY: None.

MOTION CARRIED.

MAIN STREET
ADVISORY BOARD

COUNCIL COMMENTS

MARTIN LUTHER KING, JR. PARADE

Council Member Holland thanked everyone that participated in the Martin Luther King, Jr. Parade. He said the process was a little different this year, but the community came together.

MARTIN LUTHER
KING, JR. PARADE

MARTIN LUTHER KING, JR. CELEBRATION

Council Member Howeth thanked the Rotary Club for sponsoring the breakfast at Austin College, in honor of Martin Luther King, Jr. Day. She said the speaker was NFL Legend and 1982 Heisman Trophy winner Herschel Walker.

MARTIN LUTHER
KING, JR.
CELEBRATION

MARTIN LUTHER KING, JR. CELEBRATION

Council Member Melton said she attended the Martin Luther King, Jr. Day breakfast and Mr. Walker was a phenomenal football player and a wonderful speaker. She was impressed with him speaking about mental health issues.

MARTIN LUTHER
KING, JR.
CELEBRATION

DALE HILL'S RETIREMENT RECEPTION

Council Member Melton said she attended Dale Hill's Retirement Reception earlier today and it was amazing that he has been in the community for 65 years. She thanked Mayor Plyler for designating "Dale Hill Day" in his honor.

**DALE HILL'S
RETIREMENT
RECEPTION**

DALE HILL'S RETIREMENT RECEPTION

Mayor Plyler said it was an honor to participate in the ceremony for Mr. Hill, and to proclaim "Dale Hill Day." He said Sherman is about the people and Mr. Hill is an outstanding individual.

**DALE HILL'S
RETIREMENT
RECEPTION**

ANNOUNCEMENTS

Mayor Plyler announced the following:

- Habitat for Humanity will host their annual Habitaters fundraiser on January 25, 2020.
- The Temptations Revue featuring Nate Evans and Beverly Houston will be held February 12, 2020, in Kidd-Key Auditorium. The event is part of the Black History Month celebration.
- The Sherman Main Street Committee will host their annual Mardi Gras Celebration on February 22, 2020, in Downtown Sherman.

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

SECTION 551.071 -- CONSULTATION WITH CITY ATTORNEY CONCERNING PENDING OR CONTEMPLATED LITIGATION

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

SECTION 551.087 -- DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS: DELIBERATE REGARDING COMMERCIAL OR FINANCIAL

INFORMATION THAT THE CITY HAS
RECEIVED FROM A BUSINESS
PROSPECT AND DELIBERATE ANY
OFFERS OR INCENTIVES TO THE
BUSINESS PROSPECT

On Motion duly made and carried, the Open Meeting recessed
and reconvened in Executive Session at 5:21 p.m.

On Motion duly made and carried, the Executive Session
recessed at 6:49 p.m. and reconvened in Open Meeting.

OPEN MEETING

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

OPEN MEETING

ADJOURNMENT

On Motion duly made and carried, the meeting adjourned at
6:51 p.m.

ADJOURNMENT

MAYOR

CITY CLERK



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C. 1.

Meeting Date: 02/03/2020

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6280

Establishing Maximum, Reasonable and Prudent Rates of Speed on Certain Portions of U.S. Highway 75 and U.S. Highway 82 in the Corporate Limits of Sherman, Grayson County, Texas; Fixing Penalties for Violation Thereof; Declaring an Emergency

Issue:

The Texas Department of Transportation (TxDOT) is requesting speed limit changes on U.S. Highway 75 (US Hwy 75) and U.S. Highway 82 (US Hwy 82) in Sherman's city limits, for the duration of their construction activities on Federal Aid Project No. NH2020(008).

Background:

On November 4, 2019, the City Council received an update from Paris District Engineer Noel Paramanantham on the various Texas Department of Transportation (TxDOT) projects along US Hwy 75, US Hwy 82, and FM 1417. Construction of these projects is to begin this year. With ongoing construction and traffic reroutes, TxDOT has deemed it necessary to reduce the speed limit within the construction limits until the completion of the project. The speed will be reduced from 75 MPH to 60 MPH on US Hwy 75 from approximately 0.15 miles south of FM 1417 (Dorset Drive) to approximately 0.36 miles north of US Hwy 82 (Loy Lake Overpass) and on US Hwy 82 from approximately 0.5 miles west of the Travis Street Bridge to approximately 0.5 miles east of Loy Lake Road.

Origination:

Texas Department of Transportation

Financial Consideration:

None

Staff Recommendation:

It is recommended that TxDOT's recommended speed limits be approved for construction purposes.

Alternatives:

As may be directed by the City Council

Attachments

Ordinance No. 6280
Aerial Location Map

ORDINANCE NO. 6280

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING MAXIMUM, REASONABLE AND PRUDENT RATES OF SPEED ON CERTAIN PORTIONS OF U.S. HIGHWAY 75 AND U.S. HIGHWAY 82 IN THE CORPORATE LIMITS OF SHERMAN, GRAYSON COUNTY, TEXAS; FIXING PENALTIES FOR VIOLATION THEREOF; DECLARING AN EMERGENCY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, by authority and direction of the City Council of the City of Sherman, Texas, the Traffic and Operations Office of the Texas Department of Transportation determines the maximum, reasonable and prudent rates of speed for vehicles traveling upon the following named streets and highways and parts thereof, to facilitate the most effective use of said streets and highways and the safe and effective movement of vehicular traffic thereon;

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

SECTION 1. That no person shall drive a vehicle upon a public road, street and highway in the City of Sherman, Texas, at a speed greater than is reasonable and prudent under the conditions and circumstances then existing. Except when a special hazard exists that requires lower speeds for compliance with the above requirement, the limits hereinafter set out shall be lawful; but any speed in excess of the limits hereinafter set out for the streets and highways and portions thereof to which they apply shall be prima facie evidence that the speed is not reasonable or prudent:

On U.S. Highway 75 from approximately 0.15 miles south of F.M. 1417 (Dorset Drive) to approximately 0.36 miles north of U.S. Highway 82 (Loy Lake Overpass), on U.S. Highway 82 from approximately 0.5 miles west of the Travis Street Bridge to approximately 0.5 miles east of Loy Lake Road, a speed limit of sixty (60) miles per hour at all times until completion of the Texas Department of Transportation Federal Aid Project No. NH2020 (008) as evidenced, which is hereby approved by the Texas Department of Transportation.

SECTION 2. That any person violating the provisions of this ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a work zone fine not exceeding TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00).

SECTION 3. That the fact that present traffic regulations are inadequate to control traffic in the area covered by this ordinance creates an emergency which is here and now declared, and all rules and regulations providing for the reading of ordinance is passed as an emergency measure

and shall be in full force and effect from and after its passage and publication and after the installation of speed limit signs.

SECTION 4. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

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

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

INTRODUCED on this the _____ day of _____, 2020.

ADOPTED on this the _____ day of _____, 2020.

EFFECTIVE DATE on this the _____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

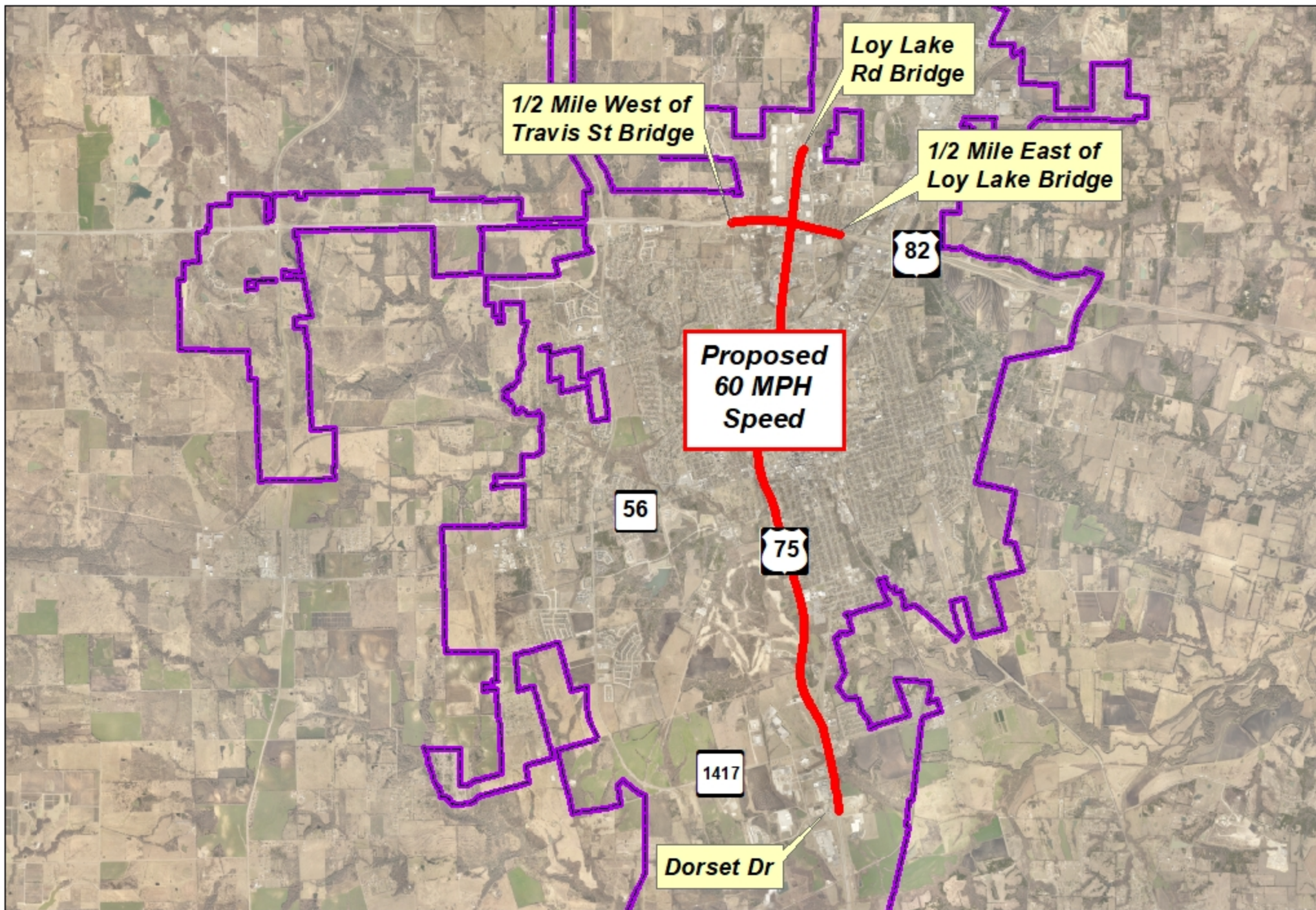
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C. 2.

Meeting Date: 02/03/2020

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6281

Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow an Inpatient Hospital in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District at 2022 North Highway 75, being Lot 2, Block 2, Independence Square Addition, Section Three, a Replat of part of Lot 1, Block 2 (Medistar Corporation, Owners; Mark Jang, Representative; KAIM Associates, Inc., Architect; KRG Civil Engineers, Inc., Civil Engineer; and Underwood Drafting and Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00

Issue:

To consider the request of Medistar Corporation (Owners), Mark Jang (Representative), KAIM Associates, Inc. (Architect), KRG Civil Engineers, Inc. (Civil Engineer), and Underwood Drafting and Surveying (Surveyor) concerning the property located at 2022 North Highway 75, being Lot 2, Block 2, Independence Square Addition, Section Three, a Replat of part of Lot 1, Block 2, for a Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an inpatient hospital in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District

Background:

The property is located at 2022 North Highway 75, between Taylor Street and Lamberth Road. The property is zoned a C-1 (Retail Business) District and is located in the O-1 (75 & 82) Overlay District.

Medistar Corporation would like to build a 9,300 square foot addition to convert the existing Red River ER to a specialty hospital. The project will consist of a new patient med-surg wing housing four medical patient rooms which includes: one patient isolation room, an MRI suite and holding area, and ancillary support spaces. A dietary kitchen has been provided to warm meals which will be catered and pre-plated by a third-party food service vendor. The existing building will contain the 24-hour emergency center (triage and seven treatment rooms), pharmacy, lab, radiology and administration spaces. The new construction will be single-story, steel frame construction with masonry cladding. A new walkway connector will connect the existing building and the new addition to enable the hospital to be a continuous building.

Origination:

Medistar Corporation (Owners)
Mark Jang (Representative)
KAIM Associates, Inc. (Architect)
KRG Civil Engineers, Inc. (Civil Engineer)
Underwood Drafting and Surveying (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the January 14, 2020 regular meeting, the Planning and Zoning Board voted 7/0 to recommend to the City Council that the Specific Use Permit be approved subject to the Staff Review Letter.

Alternatives:

The City Council could deny the request.

Attachments

Ordinance No. 6281
Aerial Location Map
Zoning Map
Zoning Sign Photo
Narrative
Plat
Site Plan
Building Elevations
Landscape Plan
Staff Review Letter
P&Z Communication

ORDINANCE NO. 6281

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SECTION 8, SUBSECTION (5)(A), ORDINANCE NO. 2280, SO AS TO GRANT A SPECIFIC USE PERMIT TO ALLOW AN INPATIENT HOSPITAL IN A C-1 (RETAIL BUSINESS) DISTRICT/O-1 (75 & 82) OVERLAY DISTRICT AT 2022 NORTH HIGHWAY 75, BEING LOT 2, BLOCK 2, INDEPENDENCE SQUARE ADDITION, SECTION THREE, A REPLAT OF PART OF LOT 1, BLOCK 2 (MEDISTAR CORPORATION, OWNERS; MARK JANG, REPRESENTATIVE, KAIM ASSOCIATES, INC., ARCHITECT; KRG CIVIL ENGINEERS, INC., CIVIL ENGINEER; AND UNDERWOOD DRAFTING AND SURVEYING, SURVEYOR); PROVIDING FOR A REPEALER CLAUSE; PROVIDING THAT THIS SPECIFIC USE PERMIT SHALL BE GRANTED SUBJECT TO CERTAIN CONDITIONS; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

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

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

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

SECTION 1. That, from and after the passage of this ordinance, Medistar Corporation (Owners), Mark Jang (Representative), KAIM Associates, Inc. (Architect), KRG Civil Engineers, Inc. (Civil Engineer) and Underwood Drafting and Surveying (Surveyor) are granted a Specific Use Permit and site plan approval to allow an inpatient hospital in a C-1 (Retail Business) District/O-1 (75 & 82 Overlay) District at 2022 North Highway 75 and that Section 8, Subsection (5)(a), Ordinance No. 2280 is hereby amended so as to hereafter include the following described property:

BEING Lot 2, Block 2, Independence Square Addition, Section Three, a Replat of part of Lot 1, Block 2

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

Zoning:

1. All aspects of the C-1 (Retail Business) District, the O-1 (75 & 82 Overlay) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903-892-7267).
3. All parking shall be on private property and shall not encroach into Highway 75 or Travis Street right-of-way.
4. Parking and service driveways are permitted on paved surfaces only; concrete or asphalt.
5. The parking ratio for a medical office: 1/200 square foot; hospital: 1/3 beds.
6. A parking space is considered to be 9'x20'.
7. The dumpster will need to be located inside the main building area.
8. An encroachment easement will need to be approved by the City Council if any structures, signs, etc. are located inside any easements.
9. Violation of the conditions of the SUP will terminate the Specific Use Permit.
10. Shall comply with all EPA, City, Federal and State regulations for this use.
11. Review the zoning and development ordinance for additional requirements.
12. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

13. New drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from City of Sherman Engineering Department.
14. Internal water and sewer lines will be privately owned and maintained.
15. Verify fire lane requirements with Fire Marshall.
16. The location of the trash receptors must be approved by the Public Works Department.
17. Privately owned and maintained detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.

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

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

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

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

INTRODUCED on this the _____ day of _____, 2020.

ADOPTED on this the _____ day of _____, 2020.

EFFECTIVE DATE on this the _____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

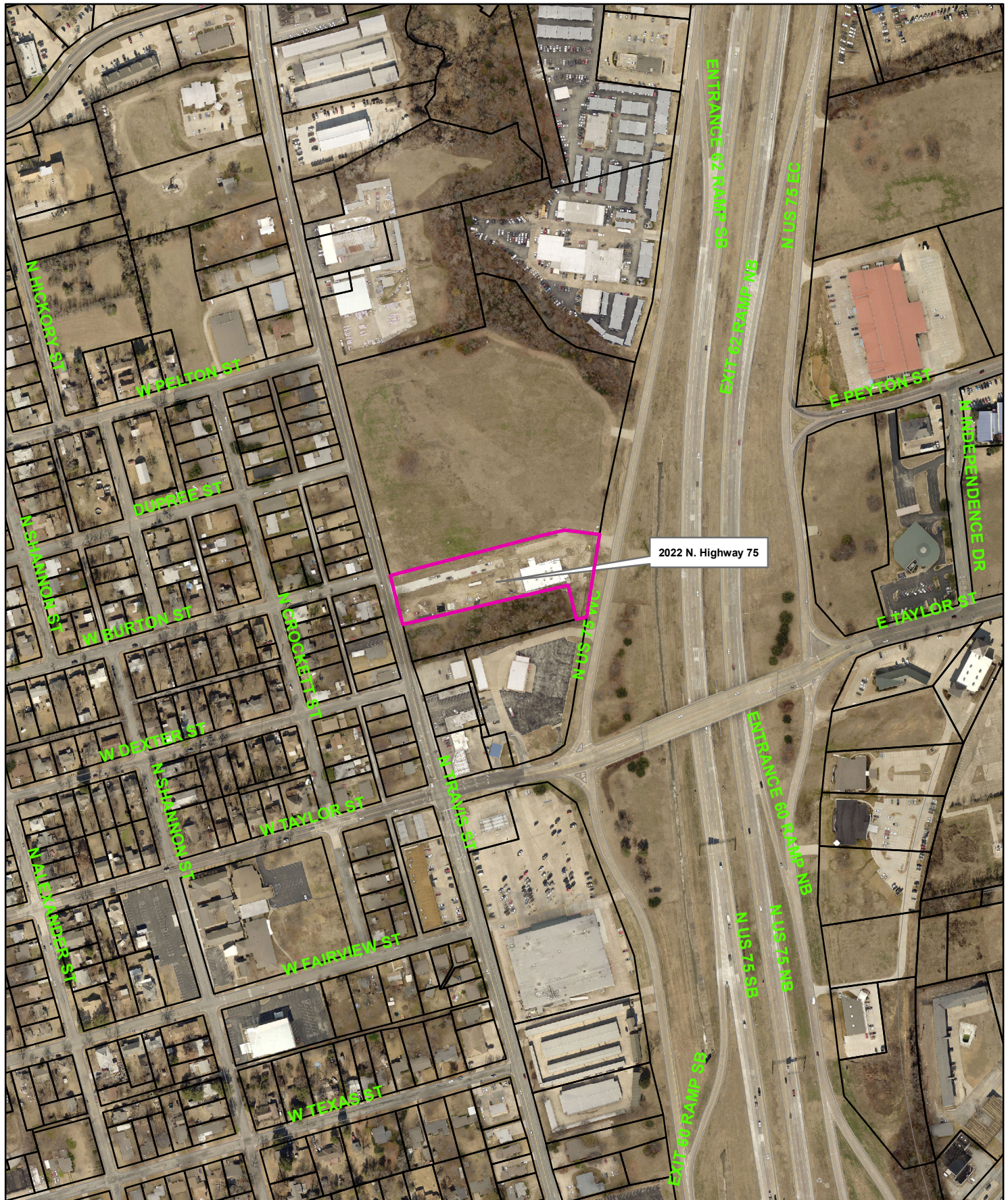
BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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



2022 North Highway 75



NOT TO SCALE

1 in = 400 ft



Zoning - 2022 North Highway 75

Legend

Special Districts Overlay

DISTRICT_NAME
Arts and Cultural District
Bialack Commercial Overlay District
Central Business District
College Park District
Downtown Overlay District
Historic Preservation District
Transportation Corridor

Representation: ShermGIS.DBO.TransportationCorridor_Rep_1

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

Zoning Districts

Representation: ShermGIS.DBO.ZoningDistrict_Rep

Unknown
BIIP Bialack Industrial Park
C-1 Retail Business District
C-2 General Commercial District

CO Office District
Lakes
M-1 Light Manufacturing District
M-1.5 Medium Manufacturing District
M-2 Heavy Manufacturing District
MH Manufacturing Housing District
R-1 One Family Residential District
R-2 Multi-Family Residential District
R-A Single Family Agricultural District
SF-1 Single Family Residential District
PD Planned Development



City of Sherman, Texas
Developmental Services Department



NOT TO SCALE

1 in = 200 ft

2022 N. Highway 75





December 19, 2019

Medistar Sherman Micro-Hospital Conversion

2022 N. Highway 75
Sherman, TX 75091

Architect:
Kaim Associates Inc.

MEP Engineer:
SW Associates

Project Narrative

Architectural Narrative

Description and Scope Summary

Medistar Corporation intends to build a new 9,300 s.f. addition in order to convert the existing licensed free-standing emergency center to a specialty hospital license. The renovation is approximately 9,300 sf and be licensed under the Hospital Licensing Rules (Chapter 133) of the Department of State Health Services requirements. An application for the proper license will be submitted to TDSHS. The anticipated construction cost is approximately \$4,200,000 and will be constructed in a single phase scheduled to be completed by December 2020. The existing FEC will remain operational until the construction will be completed and inspect by TDSHS for the hospital license.

Department/Area Narratives

The project will consist of a new patient med-surg wing housing 4 medical patient rooms (which includes (1) patient isolation room), a MRI suite and holding area and ancillary support spaces. A dietary kitchen has been provided to warm meals which will be catered and pre-plated by a third-party food service vendor.

The existing building will contain the 24-hour emergency center (triage and 7 treatment rooms), Pharmacy, Lab, Radiology (X-Ray and CT Scanner) and Administration Spaces.

Construction Type, Fire Protection and Fire Safety

The new construction will be single story, steel frame construction with masonry cladding. A new walkway connector will connect the existing building and the new addition to enable the hospital to be a continuous building.

24080 Hwy 59 North, Suite 175
Kingwood, TX 77339
281-358-0964
Fax 281-358-0965
www.Kaim-Inc.com

The construction type will be Type II-B as defined under Table 601 of the International Building Code and the hospital is classified as occupancy type I-2. In addition to the TDSHS requirements, the project complies with NFPA 101 Life Safety Code (Chapter 18 New Healthcare Facilities (2003) and International Building Code (2012 ed.).

The facility will have an approved automatic sprinkler system throughout the building, as well as a fire alarm and smoke detection system. Egress for the 1st Floor is achieved through corridors enclosed by smoke-tight construction to five exits located remotely from each other at grade level (two at the original building and three at the new addition). Bottled air cylinders and oxygen gases will be stocked and stored via cylinders in the Med. Gas Room. A nurse call system will be provided throughout the facility. Emergency power will be provided by the existing on-site diesel generator and a new supplemental diesel generator.



- SITE DEMOLITION PLAN KEYED NOTES:**
- 1 SAWCUT AND REMOVE PORTIONS OF EXISTING CONCRETE PAVING**
 - 2 SAWCUT AND REMOVE PORTION OF EXISTING CONCRETE CURB**
 - 3 REMOVE EXISTING DUMPSTER GATES AND ENCLOSE RELOCATE DUMPSTER TO TEMPORARY LOCATION**
 - 4 REMOVE EXISTING PARKING STRIPING**
 - 5 RELOCATE EXISTING STORM DRAIN AND PIPING PER CIVIL DRAWINGS**
 - 6 REMOVE EXISTING CONCRETE SIDEWALK AND RAMP**

24060 Hwy 59 N Suite 175
Kingwood, TX 77339
Tel: 281/358-0964
www.Kaim-Inc.com

KAI Project No.: 3825.00

Namer Kaim
TBAE 8277
These drawings and specifications
are incomplete and may not be
used for regulatory approval,
permit, or construction.

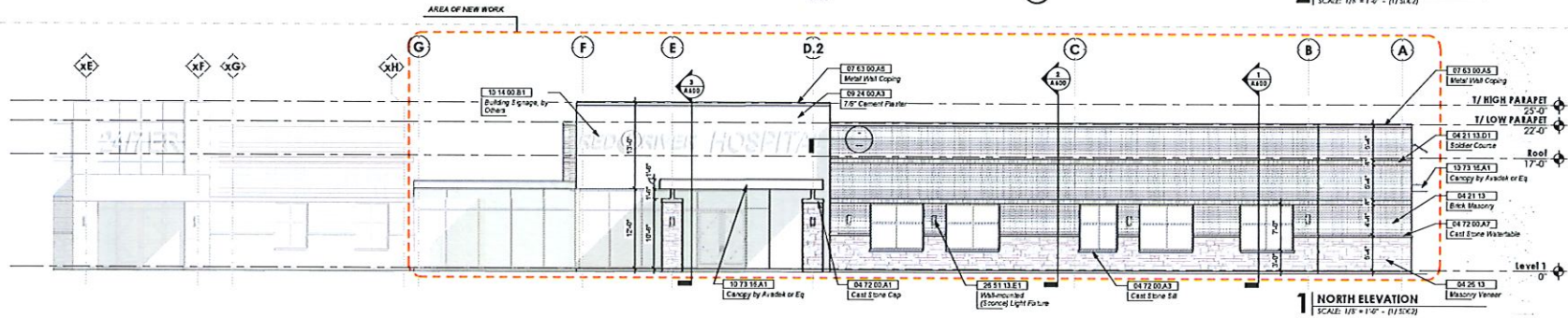
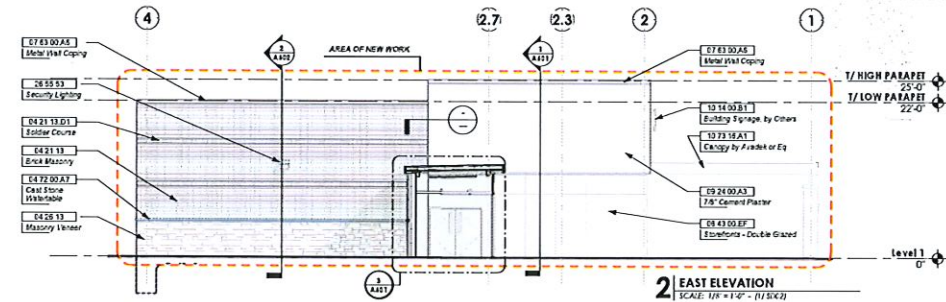
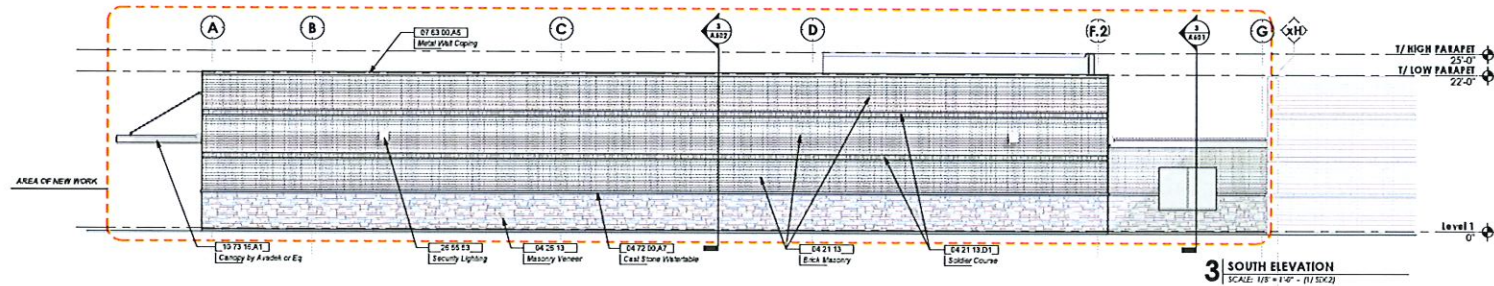
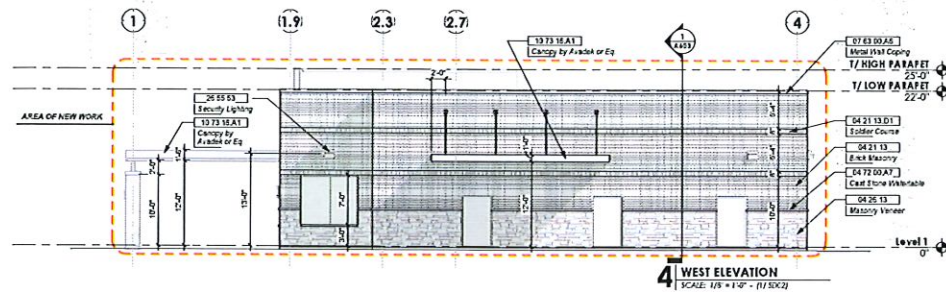
Date	Nr	Description
12/19/19	0	P&Z Submission

Sheet	Sheet Name
A100	ARCHITECTURAL SITE PLAN

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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EXTERIOR COLOR SELECTION	
EXTERIOR STUCCO/MU	EXT. FTE: SHERWIN WILLIAMS (SWH106 FALM BEIGE)
NATURAL THIN STONE VENEER (ADHERED)	UPCHURCH KIMBROUGH COMPANY - UK BLEND 130
CAST STONE CAP/INTERTABLE	CAMARATA MASONRY SYSTEMS (COLOR: AUTUMN)
CAST STONE MASONRY (1324 UNITS)	CAMARATA MASONRY SYSTEMS (COLOR: AUTUMN)
BRICK	UPCHURCH KIMBROUGH COMPANY (FIELD BRICK COLOR: R13 BANGFACE MODULAR) (SOLIDER COARSE COLOR: R18 - SANDTIN)
ALUMINUM STOREFRONT / WINDOW SYSTEM	FINISH: CLEAR ANODIZE
CUSTOM CANOPY / METAL PANEL (SOFFIT AND FASCIA)	FASCIA: ACM - ALUCOSOND (CLEAR ANODIZED - COLOR TO MATCH SOFFIT) SOFFIT: BERRIDGE - ZINC COTE (METALLIC COLORS)
ALUMINUM CANOPIES / TRELLIS / SUNSHADE DEVICES	STANDARD POWDER COAT FINISH (COLOR: ANODIZED ALUMINUM)
EXTERIOR GLAZING	SOLAR-EAN (COLOR: SOLAR BLUE)
HOLLOW METAL DOOR FRAMES	
EXT. FTE:	SHERWIN WILLIAMS (COLOR TO MATCH CLEAR ANODIZED ALUMINUM)

*ALL MATERIALS TO MATCH EXISTING. REFER TO PROJECT MANUAL FOR MORE INFORMATION.



KAIM
KAIM ARCHITECTURE

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Kingwood, TX 77339
Tel: 281/558-0964
www.kaim-inc.com

MedistarNutex
Sherman Inpatient Wing Addition
Sherman, TX

KAI Project No. : 3825 00

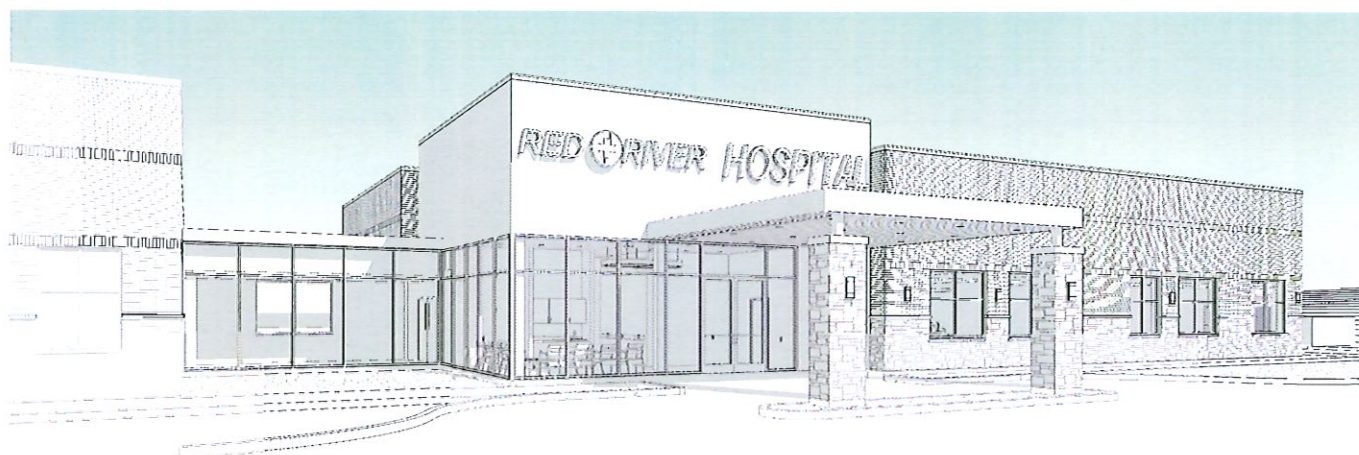
Architect/Engineer Seal

Notar Kaim
DBAE 8227
These drawings and specifications are incomplete and may not be used for regulatory approval, permit, or construction.

Date	Nr.	Description
12/19/19	0	P&Z Submission

Sheet	Sheet Name
A400	EXTERIOR ELEVATIONS

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1 FRONT PERSPECTIVE
SCALE: -

KAIM
architecture

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Kingwood, TX 77339
Tel: 281/358-0964
www.kaim-lac.com

Medistar/Nutex
**Sherman Inpatient Wing
Addition**
Sherman, TX

KAI Project No.: 3825.00

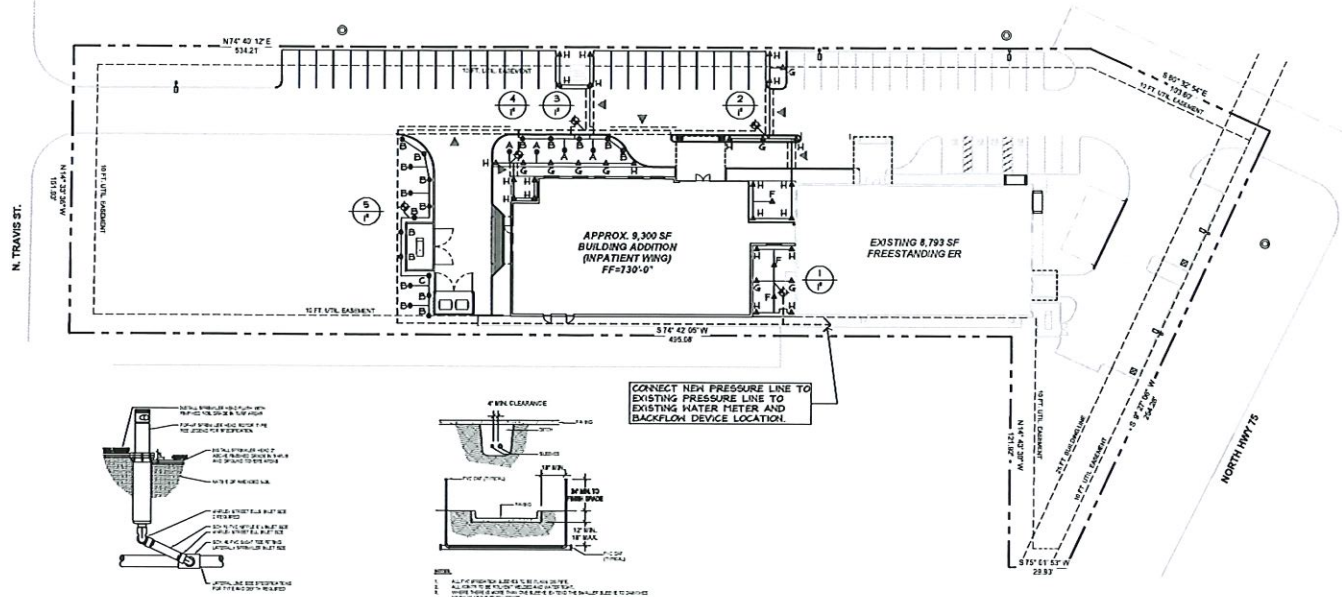
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permit, or construction.

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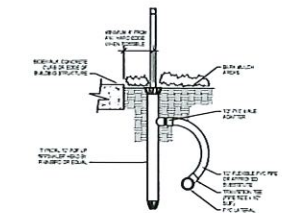
Sheet	Sheet Name
SD01	PROJECT RENDERING

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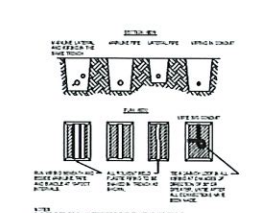
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POP-UP SPRINKLER ROTOR TYPE (6")
SCALE: NOT TO SCALE

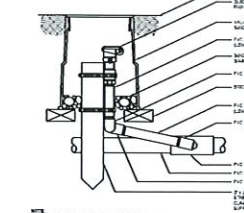
B
LEE **SLEEVING**
SCALE: NOT TO SCALE



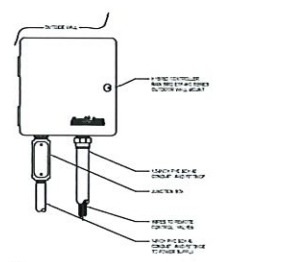
POP UP SPRAY HEAD (12")
SCALE: NOT TO SCALE



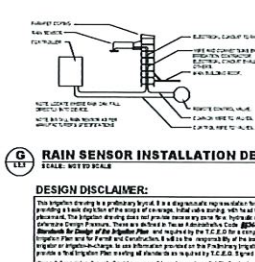
D **TRENCH DETAIL**
SCALE: NOT TO SCALE



 **QUICK COUPLING VALVE**
SCALE: NOT TO SCALE



F IRRIGATION CONTROLLER
L2.3
SCALE: NOT TO SCALE



driving a business, etc., that he be experienced and capable of leading the design team to the final, licensed hydro-coring pipe string. Some flow or hydraulic engineering equipment, or aspects of the preliminary design of string not in compliance with the regulations, The Engineer Contractor shall be ultimately responsible for the installation and proper operation of the injection system.

[illegible]

Item	Qty	Irrigation Equipment and Manufacturer	Applicable Specification	CFR
A	1	Rainbird 1818 Pop Up Sprinkler or equal		
B	1	R 1818 Pop 320 degree	12"Ø - media	2.63
C	1	R 1818 Pop 180 degree	12"Ø - media	1.32
D	1	R 1818 CS 90 degree	12"Ø - media	0.68
E	1	R 1818 Low Angle Left Side Nozzle	6"Ø - 12"Ø	2.61
F	1	R 1818 Low Angle Center Side Nozzle	4"Ø - 12"Ø	
G	1	Rainbird 1813 Strab Pop Up Sprinkler or equal		
H	1	R 1813 120° 90 degree mounted on 1/2" Sch. 40 mter	12"Ø - media	2.63
I	1	R 1813 120° 180 degree	12"Ø - media	1.32
J	1	R 1813 120° 90 degree	12"Ø - media	0.68
K	1	Rainbird PEB Series Electric Remote Control Valves with sizes as noted (N/A)		
L	1	To be connected to Existing water meter @ Existing Bldg.		
M	1	To be connected to FERRO EZE 4 ISOLATION VALVE @ Existing Building. Verify location on site.		
N	1	Rainbird 312 EDC quick-coupling valve (valves to be installed below grade inside valve room noted)		
O	1	One (1) Rainbird ESP-IMC Irrigation controller. Verify location and coordinate electrical access needs for controller with General contractor and/or electrician. Install Rainbird Rain Sensor, when close proximity of controller required. Verify location with Owner.		
P	1	Pressure line. Install be 2" sch. 40 P.V.C pipe. Install "Thrust Blocks" as required. Install appropriate Gate Valves when noted.		
Q	1	4" Sch. 40 P.V.C Irrigation valves unless noted as 6" on plans. Verify location of all valves on project site.		
R	1	1/2" Sch. 40 P.V.C non pressure line		
S	1	3/4" Sch. 40 P.V.C non pressure line		
T	1	1/2" Sch. 40 P.V.C non pressure line		
U	1	1/4" Sch. 40 P.V.C non pressure line		
V	1	Sequence of Irrigation Valve		
W	1	Size of Irrigation Valve		

SCALE: 1" = 30'-0"



24060 Hwy 59 N Suite 75
Kingwood, TX 77339
Tel: 281-358-0564
www.Kaim-loc.com

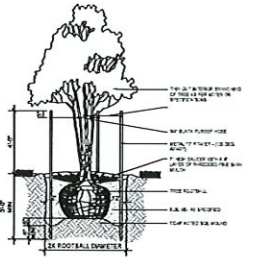
KAI Project No.: 3825-00

Date	Nr.	Description
12 12 19		

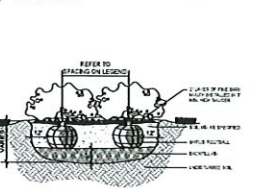
Sheet	Sheet Name
L2.1	IRRIGATION PLAN

1 Factors of work is accordance with all applicable laws, codes, and regulations required by authorities having jurisdiction over such work and provide all inspections and permits required by Federal, State, and local authorities to apply, interpretation, and installation of such job.

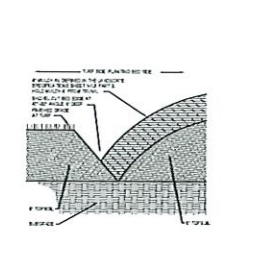
-
- Site plan for the proposed addition to the N. Travis St. building. The plan shows an existing 8,793 SF freestanding structure and a proposed 9,300 SF building addition (inpatient wing) with a footprint of 130'-0". The addition is 51'-0" wide and 120'-0" deep. The plan includes various rooms and their dimensions, such as LO 4, BH 42, LF 26, AH 3, LF 18, BAK 17x18, FL 20, TD 1, FIC 41, FL 60, JN 3, RLS 40, RLS 40, AH 2, FL 40, FT 6, FL 40, RU 2, and RU 40. The plan also shows a 12' x 12' grid, a 12' x 12' grid, and a 12' x 12' grid. The plan is oriented with North Hwy 75 at the top and N. Travis St. at the bottom. The plan includes a north arrow and a scale bar.



SCALE: NOT TO SCALE



SHRUB PL



○

SHRUB PL

5. Seed which has become wet, moldy and otherwise damaged in transit or in storage will not be acceptable.

- Landscape Legend:**

Synthetic Name	Quantity (lb)	Botanical Name	Common Name	Size and Planting Requirements
TD	1	Taxodium distichum	Bald Cypress	3" cal. 65 gal. container; 12 to 14 ft. tall
LO	4	Quercus virginiana	Live Oak	2" cal. 65 gal. container; 12 to 14 ft. tall
AH	5	Araucaria heterophylla	English Australian Oak	2½" cal. 65 gal. container; 12 to 14 ft. tall
JM	4	Acacia palmatum	Japanese Acacia	2" cal. 35 gal. container; 8 to 10 ft. tall
LF	4	Leucophaea frutescens	Silver Chub	2" cal. 35 gal. container; 8 to 10 ft. tall
BH	4	Bursera	Spanish Holly	5 gal. planted at 35" c. single row
MC	4	Muhlenbergia capillaris	Coast Muhlenberg	1 gal. planted at 24" c. tangentially spaced
FR	140	Musa Oculis	Gold-Crisp	1 gal. planted at 24" c. tangentially spaced
FL	150	Daniella tinctoria	Variegated Flax Lily	1 gal. planted at 24" c. tangentially spaced
FT	45	Albizia julibrissin	Floral Silk	1 gal. planted at 24" c. tangentially spaced
LM	146	Ligustrum lucidum	Box Elm	1 gal. planted at 24" c. tangentially spaced
Grass	Varif	Cynodon dactylon	Common Bermuda	15" wide project for all areas within the project. All areas to be grassed and the grasses used and the grasses to be used in the grassing areas.
Edge	Varif			Finished 15" wide maintenance base and overlay. Create a 15" wide shoulder to a depth of 17'. Compact subgrade and bedding. Check all areas to be grassed and the grasses used and the grasses to be used in the grassing areas.

NOTE:
Coordinate drainage for all landscape spaces at two courtyard areas plus all other areas around building. Install ADS drain inlets and connect to nearest storm line or storm drain on site (verify locations on civil plans).

[illegible]

1

SCALE: 1" = 30'-0"



STAFF REVIEW LETTER

January 7, 2020

Medistar Corporation
7670 Woodway, Ste. 160
Houston, TX 77063

Mark Jang
7670 Woodway, Ste. 160
Houston, TX 77063

KRG Civil Engineers, Inc.
Kelvin Gomez
2150 South Central Expy., Ste. 277
McKinney, TX 75072

Underwood Drafting & Surveying
3404 Interurban Rd.
Denison, TX 75021

KAIM Associates, Inc.
24080 Hwy 59 North, Ste. 175
Kingwood, TX 77339

Dear Applicants,

The request for a Specific Use Permit and site plan approval to allow an inpatient hospital in a C-1 (Retail Business) District/O-1 (75 & 82 Overlay) District for the property located at 2022 North Highway 75 has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, January 14, 2020 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the C-1 (Retail Business) District, the O-1 (75 & 82 Overlay) District, the sign ordinance, the fence ordinance and the Commercial Tree and Landscaping Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903-892-7267).
3. All parking shall be on private property and shall not encroach into Highway 75 or Travis Street right-of-way.
4. Parking and service driveways are permitted on paved surfaces only; concrete or asphalt.
5. The parking ratio for a medical office: 1/200 square foot; hospital: 1/3 beds.
6. A parking space is considered to be 9'x20'.
7. The dumpster will need to be located inside the main building area.
8. An encroachment easement will need to be approved by the City Council if any structures, signs, etc. are located inside any easements.
9. Violation of the conditions of the SUP will terminate the Specific Use Permit.
10. Shall comply with all EPA, City, Federal and State regulations for this use.
11. Review the zoning and development ordinance for additional requirements.
12. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

13. New drive approaches and sidewalks must conform to City of Sherman and TxDOT standards and a permit is required from City of Sherman Engineering Department.

14. Internal water and sewer lines will be privately owned and maintained.
15. Verify fire lane requirements with Fire Marshall.
16. The location of the trash receptors must be approved by the Public Works Department.
17. Privately owned and maintained detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.

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

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

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

Respectfully,



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

CC: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



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

Agenda Item No. 12.

Meeting Date: 01/14/2020

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

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

2022 NORTH HIGHWAY 75

The request of Medistar Corporation (Owners), Mark Jang (Representative), KAIM Associates, Inc. (Architect), KRG Civil Engineers, Inc. (Civil Engineer) and Underwood Drafting and Surveying (Surveyor) concerning the property located at 2022 North Highway 75, being 2, Block 2, Independence Square Addition, Section Three, a Replat of part of Lot 1, Block 2, as follows:

Planning and Zoning Commission

Specific Use Permit and site plan approval under Ordinance No. 2280, Section 8, Subsection (5)(a) to allow an inpatient hospital in a C-1 (Retail Business) District/O-1 (75 & 82 Overlay) District.

Background:

The property is located at 2022 North Highway 75 between Taylor Street and Lamberth Road. The property is zoned a C-1 (Retail Business) District and located in the O-1 (75 & 82) Overlay District.

Medistar Corporation would like to build a 9,300 square foot addition to convert the existing emergency center to a specialty hospital. The project will consist of a new patient med-surg wing housing four medical patient rooms which includes: 1 patient isolation room, a MRI suite and holding area and ancillary support spaces. A dietary kitchen has been provided to warm meals which will be catered and pre-plated by a third-party food service vendor. The existing building will contain the 24-hour emergency center (triage and 7 treatment rooms), pharmacy, lab, radiology and administration spaces. The new construction will be single story, steel frame construction with masonry cladding. A new walkway connector will connect the existing building and the new addition to enable the hospital to be a continuous building.

Adjacent Zoning:

R-1 (One Family Residential) District

C-1 (Retail Business) District

Origination:

Medistar Corporation (Owners)
Mark Jang (Representative)
KAIM Associates, Inc. (Architect)
KRG Civil Engineers, Inc. (Civil Engineer)
Underwood Drafting and Surveying (Surveyor)

Master Plan Designation:

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

Number of notices mailed:

10

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Narrative
Plat
Site Plan
Building Elevations
Landscape Plan
Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C. 3.

Meeting Date: 02/03/2020

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6282

Closing and Abandoning the Platted Right-of-Way being J. Fielding Circle, east of Rex Cruse Drive, as shown on Plat in Volume 1, Page 109 of the Plat Records of Grayson County, Texas, dedicating Ownership of said Right-of-Way to the surrounding owner, North Park Baptist Church, being more particularly described and shown in the Exhibit "A" attached hereto and made a part hereof for all purposes

Issue:

To consider approving the closure and abandonment of right-of-way of J. Fielding Circle, an undeveloped right-of-way east of Rex Cruse Drive, as described and shown on plat in Volume 1, Page 109 of the Plat Records of Grayson County, Texas, being more particularly shown on Exhibit "A" attached hereto and made a part hereof for all purposes

Background:

J. Fielding Circle is an undeveloped platted right-of-way east of Rex Cruse Drive. The right-of-way dedication was part of a plat being Joe E. Price Subdivision. North Park Baptist Church is currently constructed over the platted right-of-way. Right-of-way is to be dedicated to the surrounding owner, North Park Baptist Church, after City Council approval of said abandonment.

Origination:

North Park Baptist Church, surrounding property owner

Financial Consideration:

None

Staff Recommendation:

It is recommended that the City Council approve the Ordinance closing and abandoning this right-of-way.

Alternatives:

As may be directed by the City Council

Attachments

Ordinance No. 6282

Quit Claim Deed - J. Fielding Circle Right-of-Way

Exhibit "A" as noted in both documents

Aerial Location Map

ORDINANCE NO. 6282

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, CLOSING AND ABANDONING THE PLATTED RIGHT-OF-WAY BEING J. FIELDING CIRCLE, EAST OF REX CRUSE DRIVE, AS SHOWN ON PLAT IN VOLUME 1, PAGE 109 OF THE PLAT RECORDS OF GRAYSON COUNTY, TEXAS, DEDICATING OWNERSHIP OF SAID RIGHT-OF-WAY TO THE SURROUNDING OWNER, NORTH PARK BAPTIST CHURCH, BEING MORE PARTICULARLY DESCRIBED AND SHOWN IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That the City Manager be and is hereby authorized and directed to close and abandon the platted right-of-way being J. Fielding Circle, east of Rex Cruse Drive, as shown on plat in Volume 1, Page 109 of the Plat Records of Grayson County, Texas, and being more particularly shown in the Exhibit "A" attached hereto and made a part hereof for all purposes, property being located in the City of Sherman, County of Grayson, State of Texas.

SECTION 2. That it is the intent of the City Council that the right and interest in such right-of-way herein abandoned, closed and vacated shall vest to the surrounding owner, North Park Baptist Church, by appropriate conveyance of said right-of-way herein described.

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

INTRODUCED on this the _____ day of _____, 2020.

ADOPTED on this the _____ day of _____, 2020.

EFFECTIVE DATE on this the _____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

BY:

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

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

QUITCLAIM DEED

THE STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

THIS QUITCLAIM DEED, executed this ____ day of _____, 2020, by the CITY OF SHERMAN, a municipal corporation of the State of Texas, with an address of P.O. Box 1106, Sherman, Texas 75091, hereinafter called "Grantor," acting by and through its duly authorized City Manager, to NORTH PARK BAPTIST CHURCH, with an address of 2605 Rex Cruse Drive, Sherman, Texas 75092;

WITNESSETH, that the said Grantor, for good consideration and for the sum of \$10.00 paid by the said NORTH PARK BAPTIST CHURCH, the receipt whereof is hereby acknowledged, and pursuant to the authority of Ordinance No. _____ of the City of Sherman, Texas, passed and approved on the _____ day of _____, 2020, does hereby remise, release and quitclaim unto NORTH PARK BAPTIST CHURCH forever, all the right, title, interest and claim which the said Grantor has in and to the J. Fielding Circle right-of-way east of Rex Cruse Drive in the City of Sherman, Grayson County, Texas, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, and improvements and appurtenances thereto in the County of Grayson, State of Texas, to wit:

RELEASE. In accepting the quitclaim of this property, Grantee expressly accepts the property in its "as is" condition, with all of its faults and encumbrances, if any. Grantee RELEASES and forever discharges the Grantor, its officers, agents and employees from all rights, claims, demands, or causes of action, at law or in equity, Grantee has, or even can, shall, or may have in the future in connection with this transaction, including hazardous materials or environmental issues in, on or upon the property, if any. Grantee states that he is not relying upon any representations or disclosures by the Grantor and none have been made in connection with this property. This release shall be binding upon Grantee's heirs, assigns and successors in interest.

IN WITNESS WHEREOF, the City of Sherman, Texas, a municipal corporation of Grayson County, Texas, has caused this instrument to be executed by its City Manager, on the this ____ day of _____, 2020.

CITY OF SHERMAN

BY:_____
ROBBY HEFTON,
CITY MANAGER

ACKNOWLEDGMENT

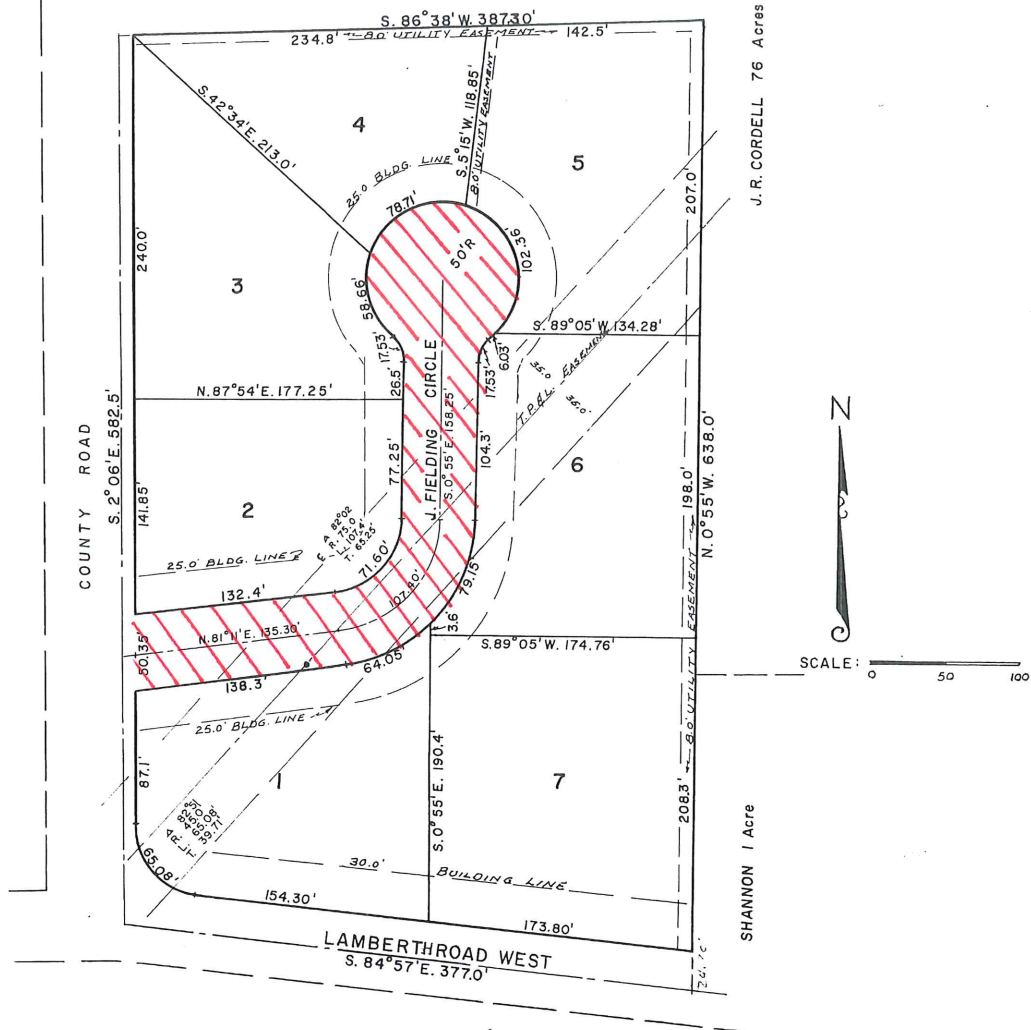
THE STATE OF TEXAS	§
	§
COUNTY OF GRAYSON	§

BEFORE ME, the undersigned authority, in and for the State of Texas, on this day personally appeared Robby Hefton, City Manager, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said City of Sherman, a municipal corporation of the State of Texas, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____, 2020.

Notary Public in and for the State of Texas
My Commission Expires:_____

10154



JOE E. PRICE SUBDIVISION

OWNERS: JOE E. PRICE, JR. & wife, BETH AUSTIN PRICE

FIELD NOTES

Situated in the County of Grayson, State of Texas, being a part of the J. B. McAnair Survey, and also being a part of the J. R. Cordell 76 acre tract of land, and being the same land conveyed by J. R. Cordell to Joe Price, Jr. as recorded in Vol. 887, Page 417, Deed Records, Grayson County, Texas, and described by metes and bounds as follows, to-wit:

BEGINNING at the Southwest corner of the Shannon 1 acre tract of land in the center of an East and West county road;

THENCE North 0 deg., 55 min. West 638.0 ft. to a 1/2 inch steel rod in place;

THENCE South 86 deg., 38 min. West 387.3 ft. to a 2 by 2 wood stake (at 377.5 ft. there is a steel rod in place in old fence line);

THENCE South 2 deg., 06 min. East 582.50 ft. to a nail in an East and West road;

THENCE South 84 deg., 57 min. East 377.0 ft. to the place of beginning and containing 5.333 acres of land, more or less.

I, James S. Hart, Registered Public Surveyor, hereby certify that the above plat and field notes were prepared from a survey I made on the ground Jan. 12 and 13, 1960, and are true and correct to the best of my knowledge and belief.

James S. Hart
James S. Hart Feb. 15, 1960.

APPROVED *[Signature]* 2-24-60
Chairman, City Planning Commission Date

ACCEPTED *[Signature]* 2/25/60
Mayor, City of SHERMAN Date

The undersigned, the City Clerk of the City of Sherman, hereby certifies that the foregoing Plat of JOE E. PRICE SUBDIVISION was submitted to the City Commission on the 22 day of February 1960, and the City Commission by formal action then and there accepted the dedication of streets and easements as shown and set forth in and upon said plat, and the City Commission further authorized the Mayor to note the acceptance thereof by signing his name as hereinabove subscribed.

Witness my hand this 29 day of February A.D. 1960.

[Signature]
City Clerk, City of Sherman, Texas.

The streets and easements shown on this plat of JOE E. PRICE SUBDIVISION are hereby dedicated to public use forever.

WITNESS OUR HANDS this 16th day of February, 1960.

[Signature]
Joe E. Price, Jr.
[Signature]
Beth Austin Price

THE STATE OF TEXAS
COUNTY OF GRAYSON

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Joe E. Price, Jr., and wife, Beth Austin Price, both known to me to be the persons whose names are subscribed to the foregoing instrument, and each acknowledged to me that he (or she) executed the same for the purposes and consideration therein expressed, and the said Beth Austin Price, wife of Joe E. Price Jr., having been examined by me privily and apart from her husband, and having the same fully explained to her, she the said Beth Austin Price acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16th day of February 1960.

[Signature]
Notary Public in and for Grayson County, Texas.

FILED
3-1 60
at 11:30 P.M.
By *[Signature]*
Plat 1 189

Doc. *[Signature]*
By *[Signature]*

6-5-61

J. Fielding Circle



0 150 300 600 900 1,200 1 inch = 300 feet
Feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C. 4.

Meeting Date: 02/03/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers: 6280, 6281 and 6282

Issue:

- C. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6280**
Establishing Maximum, Reasonable and Prudent Rates of Speed on Certain Portions of U.S. Highway 75 and U.S. Highway 82 in the Corporate Limits of Sherman, Grayson County, Texas; Fixing Penalties for Violation Thereof; Declaring an Emergency
- C. 2. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6281**
Amending Section 8, Subsection (5)(A), Ordinance No. 2280, so as to Grant a Specific Use Permit to Allow an Inpatient Hospital in a C-1 (Retail Business) District/O-1 (75 & 82) Overlay District at 2022 North Highway 75, being Lot 2, Block 2, Independence Square Addition, Section Three, a Replat of part of Lot 1, Block 2 (Medistar Corporation, Owners; Mark Jang, Representative; KAIM Associates, Inc., Architect; KRG Civil Engineers, Inc., Civil Engineer; and Underwood Drafting and Surveying, Surveyor); Providing that this Specific Use Permit shall be Granted Subject to Certain Conditions; Providing a Penalty not to Exceed \$2,000.00
- C. 3. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6282**
Closing and Abandoning the Platted Right-of-Way being J. Fielding Circle, east of Rex Cruse Drive, as shown on Plat in Volume 1, Page 109 of the Plat Records of Grayson County, Texas, dedicating Ownership of said Right-of-Way to the surrounding owner, North Park Baptist Church, being more particularly described and shown in the Exhibit "A" attached hereto and made a part hereof for all purposes
-



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

C. 5.

Meeting Date: 02/03/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

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

Issue:

D. 8. * RESOLUTION NO. 6590

Authorizing Execution of a Professional Engineering Services Agreement with Freeman-Millican, Inc. for Design of the Sherman First Street to Rosedale Sewer Replacement Project

D. 9. * RESOLUTION NO. 6591

Authorizing Execution of a Drainage Agreement with GO Properties 7, LLC

E. 4. * OTHER BUSINESS

Site Plan and Variance Approval to Ordinance No. 2252, Article IV, Section 410 (2)(j) and (2)(g)(2) for a GlobiTech Power Generation Facility and Improvements with a 10' rear setback in lieu of the required 55.7' in the Blalock Industrial Park at 200 West F.M. 1417 (Heritage Parkway)

E. 5. * OTHER BUSINESS

Replat Approval of Bluebonnet Petz Addition, being a Replat of all of Lots 8 & 9, Block 1 of the Preston Meadows Subdivision in the City of Sherman's Extra Territorial Jurisdiction (ETJ); being all of Lots 8 & 9, Block 1, Preston Meadows Subdivision, containing 2.926 acres in the Robert Atchison Survey, Abstract No. 28; Matthew Petz, Owner, and CBG Surveying Texas, LLC, Surveyor (59 and 101 Bluebonnet Lane)



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 1.

Meeting Date: 02/03/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6583

Relating to Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project); and Approving the Issuance Thereof and the Facilities to be Constructed or Acquired by such Authority

Issue:

To consider all matters incident and related to the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)", including the adoption of a resolution approving the issuance thereof and the facilities to be constructed or acquired by the GTUA for the benefit of the City's Wastewater Treatment Plant (WWTP)

Background:

City staff approached GTUA staff requesting financial assistance for several upcoming capital improvement projects. After several meetings, the City and GTUA identified the projects they believe are ideal candidates to take advantage of the below market interest rate savings through the Texas Water Development Board's ("TWDB") Clean Water State Revolving Fund ("CWSRF"). Projects requested to be funded through the CWSRF include 1) Aeration Basin Upgrade at the Waste Water Treatment Plant (WWTP), Phase II; 2) Biological Clarifier Rehabilitation at the WWTP; 3) WWTP Control Building Expansion; 4) Brine Line Project (engineering, bores, rights-of-way, construction); and 5) WWTP Storm Water Lift Station. These improvements are all identified in the City of Sherman's 5-year Capital Improvements Plan.

At their May 2019 meeting, the GTUA Board authorized the submission of an application to the TWDB's CWSRF to fund these projects; and at the January 22, 2020 meeting, the GTUA Board adopted the attached resolution authorizing the issuance and sale of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)."

One requirement for utilizing the Clean Water State Revolving Funds is that the engineering services be solicited utilizing the Texas Water Development Board's Disadvantaged Business Enterprise Program. GTUA staff solicited the engineering services on behalf of the City of Sherman, following the requirements of this Program. Freeman Millican, Inc. was selected for engineering services for the Brine Water Disposal Project and Perkins Engineering Consultants, Inc. was selected for engineering services for the Equalization Basin Rehabilitation Project.

GTUA General Manager Drew Satterwhite will be in attendance at the meeting to answer any questions or offer additional information as needed.

Origination:

Drew Satterwhite, P.E., GTUA General Manager

Kristen Savant, Partner in Norton Rose Fulbright US LLP (GTUA's Bond Counsel)

Financial Consideration:

By utilizing this below market interest rate program, the City will receive an interest rate for this issuance of 0.29% for a twenty-year term. The TWDB estimates the City could save approximately \$2.1 million over the life of the loan by using the CWSRF. Debt service on these bonds will be paid by the City to GTUA in accordance with the Contract for Water Supply and Sewer Service between the two entities. Funds for this contractual debt repayment are generated through the City's water and sewer revenues.

Staff Recommendation:

It is recommended that the resolution be approved as presented, confirming GTUA's issuance of these bonds.

Alternatives:

No viable alternatives can be suggested at this time.

Attachments

Resolution No. 6583

Exhibit A - Commitment of the Texas Water Development Board

GTUA's Executed Bond Resolution

January 6, 2020 GTUA Board Meeting - Agenda Item No. XIII

RESOLUTION NO. 6583

A RESOLUTION by the City Council of the City of Sherman, Texas, relating to Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project); and approving the issuance thereof and the facilities to be constructed or acquired by such Authority.

WHEREAS, the Greater Texoma Utility Authority (the "Authority") and the City of Sherman, Texas (the "City"), have previously executed and delivered a Contract for Water Supply and Sewer Service, dated as of March 1, 1985 (the "Contract"), whereby the Authority is to provide water and sewer services to the City; and

WHEREAS, under Section 4.15 of the Contract, it is provided that the City shall approve the issuance by the Authority of any bonds that are to be payable (in whole or in part) from certain moneys that the City has contracted to pay under the provisions of the Contract; and

WHEREAS, in connection with the proposed "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)" (the "Bonds"), the Texas Water Development Board (the "Board") has agreed, pursuant to an Application Requesting Financial Assistance (the "Application"), to purchase the Bonds and, therefore, it is neither necessary nor advisable for the Authority to prepare a Notice of Sale because, insofar as the City is concerned, the Application contains sufficient information to accomplish the purpose of a Notice of Sale; and

WHEREAS, the net effective interest rate on the Bonds will not exceed the maximum permitted by law (as defined in Chapter 1204, Texas Government Code, as amended) and it is now appropriate for this Council to approve the Application (in lieu of approving a Notice of Sale with respect to the Bonds) as well as the issuance and delivery of the Bonds and the facilities to be constructed or acquired with the proceeds of the Bonds, including the project (the "Series 2020 Project") described in the Resolution of the Authority authorizing the Bonds (the "Bond Resolution"); now, therefore,

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

Section 1. The facilities to be constructed, acquired, and improved by the Authority with the proceeds of the Bonds as described in the Bond Resolution are hereby approved. The issuance of the Bonds by the Authority and the use of the proceeds thereof, as described in the Bond Resolution, is hereby approved. The Bond Resolution is approved as to form and content, and the City acknowledges that the payment of principal of and interest on the Bonds is payable, in whole or in part, from payments to be made by the City under and pursuant to the Contract. The City agrees to provide the reports described in the Bond Resolution within the times specified therein, in compliance with the Board's commitment. The City agrees with the obligations and conditions set forth in the Board's Commitment 19-102, and the City hereby expressly agrees that it will not acquire any of the Board's bonds that were issued to provide financing for the Bonds in the amount of the Bonds to be acquired from the Authority by the Board. A copy of such commitment is attached hereto as **Exhibit A**.

Section 2. It is the purpose and intent of the City Council of the City to approve the Bond Resolution, and the facilities to be constructed, acquired, and improved in full accordance with the provisions of the Contract mentioned in the preamble hereof. To the extent required by the Board or the Office of the Attorney General of Texas, the Authority is authorized by this City

Council to make changes and revisions to the Bond Resolution from the form approved by this Resolution in order to expedite the delivery of the Bonds. It is the intent of the City to authorize the Authority to proceed with the construction, acquisition, and improvement of the facilities at the earliest possible date, but nothing herein shall be construed as a limitation upon the right and power of the City to approve a change in the facilities for which the Bonds are to be issued (but not the purpose for which the Bonds are to be issued as set forth in the Bond Resolution), the City specifically reserving the right to modify the facilities for which the Bonds are being issued if the Authority and the City agree such modification should be made.

Section 3. Exhibit C to the Contract is amended to include the Series 2020 Project as described in the Bond Resolution. In all other respects the Contract is reapproved and shall be and remain in full force as the agreement of the parties.

Section 4. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

Section 5. It is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and that public notice of the time, place, and purpose of said meeting was given as required.

Section 6. This Resolution shall be effective from and after its adoption.

[remainder of page left blank intentionally]

PASSED AND APPROVED, this February 3, 2020.

Mayor
City of Sherman, Texas

ATTEST:

City Clerk
City of Sherman, Texas

(City Seal)

EXHIBIT A

COMMITMENT OF THE TEXAS WATER DEVELOPMENT BOARD

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF
\$13,595,000 TO GREATER TEXOMA UTILITY AUTHORITY
FROM THE CLEAN WATER STATE REVOLVING FUND
THROUGH THE PROPOSED PURCHASE OF
\$13,595,000 GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE BONDS (CITY OF SHERMAN PROJECT),
PROPOSED SERIES 2020

(19 - 102)

WHEREAS, the Greater Texoma Utility Authority (Authority), located in Grayson County has filed an application for financial assistance in the amount of \$13,595,000 from the Clean Water State Revolving Fund (CWSRF) to finance the planning, acquisition, design and construction of certain wastewater system improvements identified as Project No. 73846; and

WHEREAS, the Authority seeks financial assistance from the Texas Water Development Board (TWDB) through the TWDB's proposed purchase of \$13,595,000 Greater Texoma Utility Authority Contract Revenue Bonds (City of Sherman Project), Proposed Series 2020 (together with all authorizing documents, (Obligations)), all as is more specifically set forth in the application and in recommendations of the TWDB's staff; and

WHEREAS, the Authority has offered a pledge of contract revenue as sufficient security for the repayment of the Obligations; and

WHEREAS, the commitment is approved for funding under the TWDB's pre-design funding option, and initial and future releases of funds are subject to 31 TAC § 375.14; and

WHEREAS, the TWDB hereby finds:

1. that the revenue and/or taxes pledged by the Authority will be sufficient to meet all the Obligations assumed by the Authority, in accordance with Texas Water Code § 15.607;
2. that the application and assistance applied for meet the requirements of the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 *et seq.*, as well as state law, in accordance with Texas Water Code § 15.607;
3. that the Authority has adopted and implemented a water conservation program for the more efficient use of water that will meet reasonably anticipated local needs and conditions and that incorporates practices, techniques or technology prescribed by the Texas Water Code and TWDB's rules;

4. that the Authority has considered cost-effective, innovative, and nonconventional methods of treatment, in accordance with Texas Water Code § 15.007; and
5. that the Executive Administrator issued a Categorical Exclusion on July 25, 2019, such findings being subject to the standard emergency discovery conditions for threatened and endangered species and cultural resources in the Project contract documents. The TWDB concurs with the environmental finding issued by the Executive Administrator.

NOW THEREFORE, based on these findings, the TWDB resolves as follows:

A commitment is made by the TWDB to the Greater Texoma Utility Authority for financial assistance in the amount of \$13,595,000 from the Clean Water State Revolving Fund through the TWDB's proposed purchase of \$13,595,000 Greater Texoma Utility Authority Contract Revenue Bonds (City of Sherman Project), Proposed Series 2020. This commitment will expire on November 30, 2020.

Such commitment is conditioned as follows:

Standard Conditions

1. this commitment is contingent on a future sale of bonds by the TWDB or on the availability of funds on hand;
2. this commitment is contingent upon the issuance of a written approving opinion of the Attorney General of the State of Texas stating that all of the requirements of the laws under which said Obligations were issued have been complied with; that said Obligations were issued in conformity with the Constitution and laws of the State of Texas; and that said Obligations are valid and binding obligations of the Authority;
3. this commitment is contingent upon the Authority's compliance with all applicable requirements contained in 31 TAC Chapter 375;
4. the Obligations must provide that the Authority agrees to comply with all of the conditions set forth in the TWDB Resolution, which conditions are incorporated herein;
5. the Obligations must provide that the Obligations can be called for early redemption on any date beginning on or after the first interest payment date which is 10 years from the dated date of the Obligations, at a redemption price of par, together with accrued interest to the date fixed for redemption;
6. the Authority, or an obligated person for whom financial or operating data is presented to the TWDB in the application for financial assistance either individually or in combination with other issuers of the Authority's Obligations or obligated persons, will, at a minimum, regardless of the amount of the Obligations, covenant to

comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by Securities and Exchange Commission (SEC) in 17 CFR § 240.15c2-12 (Rule 15c2-12) and determined as if the TWDB were a Participating Underwriter within the meaning of such rule, such continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the Authority's Obligations, if the TWDB sells or otherwise transfers such Obligations, and the beneficial owners of the TWDB's bonds if the Authority is an obligated person with respect to such bonds under SEC Rule 15c2-12;

7. the Obligations must contain a provision requiring the Authority to levy a tax and/or maintain and collect sufficient rates and charges, as applicable, to produce system funds in an amount necessary to meet the debt service requirements of all outstanding obligations and to maintain the funds established and required by the Obligations;
8. the Obligations must include a provision requiring the Authority to use any loan proceeds from the Obligations that are determined to be remaining unused funds, which are those funds unspent after the original approved project is completed, for enhancements to the original project that are explicitly approved by the Executive Administrator or if no enhancements are authorized by the Executive Administrator, requiring the Authority to submit a final accounting and disposition of any unused funds;
9. the Obligations must include a provision requiring the Authority to use any loan proceeds from the Obligations that are determined to be surplus funds remaining after completion of the project and completion of a final accounting in a manner as approved by the Executive Administrator;
10. the Obligations must contain a provision that the TWDB may exercise all remedies available to it in law or equity, and any provision of the Obligations that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect;
11. loan proceeds are public funds and, as such, the Obligations must include a provision requiring that these proceeds shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257;
12. loan proceeds shall not be used by the Authority when sampling, testing, removing or disposing of contaminated soils and/or media at the project site. The Obligations shall include an environmental indemnification provision wherein the Authority agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the Authority, its contractors, consultants, agents, officials

and employees as a result of activities relating to the project to the extent permitted by law;

13. prior to closing, the Authority shall submit documentation evidencing the adoption and implementation of sufficient system rates and charges and/or the levy of an interest and sinking tax rate (if applicable) sufficient for the repayment of all system debt service requirements;
14. prior to closing, and if not previously provided with the application, the Authority shall submit executed contracts for engineering, and, if applicable, financial advisor and bond counsel contracts, for the project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator;
15. prior to closing, when any portion of the financial assistance is to be held in escrow or in trust, the Authority shall execute an escrow or trust agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed agreement to the TWDB;
16. the Executive Administrator may require that the Authority execute a separate financing agreement in form and substance acceptable to the Executive Administrator;

Conditions Related to Tax-Exempt Status

17. the Authority's bond counsel must prepare a written opinion that states that the interest on the Obligations is excludable from gross income or is exempt from federal income taxation. Bond counsel may rely on covenants and representations of the Authority when rendering this opinion;
18. the Authority's bond counsel opinion must also state that the Obligations are not "private activity bonds." Bond counsel may rely on covenants and representations of the Authority when rendering this opinion;
19. the Obligations must include a provision prohibiting the Authority from using the proceeds of this loan in a manner that would cause the Obligations to become "private activity bonds" within the meaning of section 141 of the Internal Revenue Code of 1986, as amended (Code) and the Treasury Regulations promulgated thereunder (Regulations);
20. the Obligations must provide that no portion of the proceeds of the loan will be used, directly or indirectly, in a manner that would cause the Obligations to be "arbitrage bonds" within the meaning of section 148(a) of the Code and Regulations, including to acquire or to replace funds which were used, directly or indirectly, to acquire Nonpurpose Investments (as defined in the Code and Regulations) which

produce a yield materially higher than the yield on the TWDB's bonds that are issued to provide financing for the loan (Source Series Bonds), other than Nonpurpose Investments acquired with:

- a. proceeds of the TWDB's Source Series Bonds invested for a reasonable temporary period of up to three (3) years after the issue date of the Source Series Bonds until such proceeds are needed for the facilities to be financed;
 - b. amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Regulations; and
 - c. amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed the least of maximum annual debt service on the Obligations, 125% of average annual debt service on the Obligations, or 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Obligations;
21. the Obligations must include a provision requiring the Authority take all necessary steps to comply with the requirement that certain amounts earned on the investment of gross proceeds of the Obligations be rebated to the federal government in order to satisfy the requirements of section 148 of the Code. The Obligations must provide that the Authority will:
- a. account for all Gross Proceeds, as defined in the Code and Regulations, (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and retain all records of such accounting for at least six years after the final Computation Date. The Authority may, however, to the extent permitted by law, commingle Gross Proceeds of its loan with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith;
 - b. calculate the Rebate Amount, as defined in the Code and Regulations, with respect to its loan, not less frequently than each Computation Date, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Regulations, and the rulings thereunder. The Authority shall maintain a copy of such calculations for at least six years after the final Computation Date;
 - c. as additional consideration for the making of the loan, and in order to induce the making of the loan by measures designed to ensure the excludability of the interest on the TWDB's Source Series Bonds from the gross income of the owners thereof for federal income tax purposes, pay to the United States the amount described in paragraph (b) above within 30 days after each Computation Date;

- d. exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (b) and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including payment to the United States of any interest and any penalty required by the Regulations;
22. the Obligations must include a provision prohibiting the Authority from taking any action that would cause the interest on the Obligations to be includable in gross income for federal income tax purposes;
23. the Obligations must provide that the Authority will not cause or permit the Obligations to be treated as "federally guaranteed" obligations within the meaning of section 149(b) of the Code;
24. the transcript must include a No Arbitrage Certificate or similar Federal Tax Certificate setting forth the Authority's reasonable expectations regarding the use, expenditure and investment of the proceeds of the Obligations;
25. the Obligations must contain a provision that the Authority will refrain from using from using the proceeds provided by this TWDB commitment or the proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Obligations in contravention of the requirements of section 149(d) of the Code (relating to advance refundings);
26. the transcript must include evidence that the information reporting requirements of section 149(e) of the Code will be satisfied. This requirement may be satisfied by filing an IRS Form 8038 with the Internal Revenue Service. In addition, the applicable completed IRS Form 8038 or other evidence that the information reporting requirements of section 149(e) have been satisfied must be provided to the Executive Administrator within fourteen (14) days of closing. The Executive Administrator may withhold the release of funds for failure to comply;
27. the Obligations must provide that neither the Authority nor a related party thereto will acquire any of the TWDB's Source Series Bonds in an amount related to the amount of the Obligations to be acquired from the Authority by the TWDB;

State Revolving Fund Conditions

28. the Authority shall submit outlay reports with sufficient documentation on costs on a quarterly or monthly basis in accordance with TWDB outlay report guidelines;
29. the Obligations must include a provision stating that all laborers and mechanics employed by contractors and subcontractors for projects shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing regulations. The Authority, all contractors, and all sub-contractors

shall ensure that all project contracts mandate compliance with Davis-Bacon. All contracts and subcontracts for the construction of the project carried out in whole or in part with financial assistance made available as provided herein shall insert in full in any contract in excess of \$2,000 the contracts clauses as provided by the TWDB;

30. the Obligations must include a provision stating that the Authority shall provide the TWDB with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The Authority shall obtain a Data Universal Numbering System (DUNS) Number and shall register with System for Award Management (SAM), and maintain current registration at all times during which the Obligations are outstanding;
31. the Obligations shall provide that all loan proceeds will be timely and expeditiously used, as required by 40 CFR § 35.3135(d), and also shall provide that the Authority will adhere to the approved project schedule;
32. the Obligations must contain a covenant that the Authority will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 375.3, 33 U.S.C. § 1388, and related State Revolving Fund Policy Guidelines;
33. the Obligations must contain language detailing compliance with the requirements set forth in 33 U.S.C. § 1382 *et seq.* related to maintaining project accounts containing financial assistance for planning, design, acquisition, or construction, as applicable, in accordance with generally accepted accounting principles (GAAP). These standards and principles also apply to the reporting of underlying infrastructure assets;
34. the Authority shall submit, prior to the release of funds, a schedule of the useful life of the project components prepared by an engineer as well as a certification by the applicant that the average weighted maturity of the obligations purchased by the TWDB does not exceed 120% of the average projected useful life of the project, as determined by the schedule;

Clean Water State Revolving Fund Conditions

35. the Authority shall pay at closing an origination fee approved by the Executive Administrator of the TWDB pursuant 31 TAC Chapter 375;
36. at the TWDB's option, the TWDB may fund the financial assistance under this Resolution with either available cash-on-hand or from bond proceeds. If the financial assistance is funded with available cash-on-hand, the TWDB reserves the right to change the designated source of funds to bond proceeds issued for the

purpose of reimbursing funds used to provide the financial assistance approved in this Resolution;

37. prior to release of funds for professional consultants including, but not limited to, the engineer, financial advisor, and bond counsel, as appropriate, the Authority must provide documentation that it has met all applicable state procurement requirements as well as all federal procurement requirements under the Disadvantaged Business Enterprises program;
38. prior to release of funds for professional services related to architecture or engineering, including but not limited to contracts for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or other architectural and engineering services as defined in 40 U.S.C. § 1102(2)(A)–(C), the Authority must provide documentation that it has met all applicable federal procurement requirements as more specifically set forth in 40 U.S.C. § 1101 *et seq* and 33 U.S.C. § 1382(b)(14).

Pledge Conditions for the Loan

39. upon request by the Executive Administrator, the Authority shall submit annual audits of contracting parties for the Executive Administrator's review;
40. the Obligations must contain a provision requiring the Authority to maintain and enforce the contracts with its customers so that revenues paid to the Authority by its customers are sufficient to meet the revenue requirements of the Authority's obligations arising from the operation of the water and sewer system;
41. the Obligations must contain a provision that the pledged contract revenues from the Authority may not be pledged to the payment of any additional parity obligations of the Authority secured by a pledge of the same contract revenues unless the Authority demonstrates to the Executive Administrator's satisfaction that the pledged contract revenues will be sufficient for the repayment of all Obligations and additional parity obligations; and
42. prior to closing, the Authority must submit executed contracts between the Authority and the contracting parties regarding the contract revenues pledged to the payment of the Authority's Obligations, in form and substance acceptable to the Executive Administrator. Such contracts shall include provisions consistent with the provisions of this Resolution regarding the contracting parties' annual audits, the setting of rates and charges and collection of revenues sufficient to meet the Authority's debt service obligations and additional parity obligations.

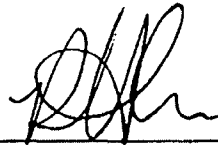
PROVIDED, however, the commitment is subject to the following special conditions:

Special Conditions:

43. the Authority must notify the Executive Administrator in writing, thirty (30) days prior to taking any actions to alter its legal status in any manner.
44. the Obligations must include a provision requiring that the Authority notify the Executive Administrator in writing prior to any action by it to convey its Obligations held by the TWDB to another entity, the conveyance and the assumption of the Obligations must be approved by the TWDB;
45. the Authority shall not amend or revise the Contract for Water Supply and Sewer Service between the Authority and the City, which is the revenue source for the pledge, if the revision or amendment affects the financial condition of the Authority or its ability to repay the loan described in this Commitment without receiving the written approval of the Executive Administrator; and
46. the Authority must comply with all conditions as specified in the final environmental finding of the Executive Administrator, including the standard emergency discovery conditions for threatened and endangered species and cultural resources.

APPROVED and ordered of record this 21st day of November, 2019.

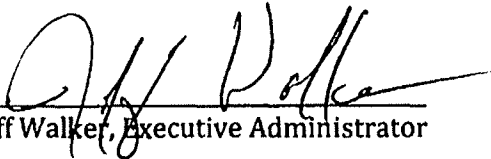
TEXAS WATER DEVELOPMENT BOARD



Peter M. Lake, Chairman

DATE SIGNED: 11/22/19

ATTEST:



Jeff Walker, Executive Administrator

BOND RESOLUTION

\$13,595,000

**GREATER TEXOMA UTILITY AUTHORITY
CONTRACT REVENUE BONDS
SERIES 2020
(CITY OF SHERMAN PROJECT)**

Adopted: January 22, 2020

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A RESOLUTION by the Board of Directors of the Greater Texoma Utility Authority authorizing the issuance of "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)" for the construction, acquisition, and improvement of wastewater system facilities and necessary appurtenances for use by the City of Sherman, Texas, and the payment of all costs incident and related to the construction, acquisition, improvement, and financing thereof; pledging the Pledged Revenue to the payment of the principal of and interest on said Bonds; and resolving other matters incident and related to the issuance, sale, and delivery of said bonds

WHEREAS, the Board of Directors of the Greater Texoma Utility Authority (the "Authority") has determined that \$13,595,000 in principal amount of bonds should be issued at this time to provide funding for the Series 2020 Project more fully described in Section 1 hereof; and

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

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

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

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

(d) The Bonds mature on October 1 in each of the years in which they are scheduled to mature;

(e) This Resolution provides for deposits to be made to the Bond Fund in amounts sufficient to pay the principal of and interest on such Bonds as the same become due;

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

(g) The Authority has demonstrated to the Board's Executive Administrator that the Pledged Revenues will be sufficient to pay the Previously Issued Bonds and the Bonds;

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

SECTION 1: Authorization - Designation - Principal Amount - Purpose. Revenue bonds of the Authority shall be and are hereby authorized to be issued as a series in the aggregate principal amount of \$13,595,000 to be designated and bear the title "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)," (hereinafter referred to as the "Bonds"), for the construction, acquisition, and improvement of wastewater system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including aeration basin upgrades, control building expansion, and rehabilitation to the biological clarifier, storm water lift station, equalization basin, primary clarifier No. 1, sludge pump station, and other appurtenances as necessary for wastewater treatment plant improvements, construction of a brine line from the water treatment plant to an existing lift station, and other appurtenances and costs to transport the water treatment plant reject water, the payment of all costs incident and related to the construction, acquisition and financing thereof, and for the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds, pursuant to authority conferred by and in conformity with the Constitution and the laws of the State of Texas, including Texas Special District Local Laws Code, Chapter 8283.

SECTION 2: Interest Rates – Payment Dates – Fully Registered Obligations - Bond Date - Authorized Denominations - Stated Maturities. The Bonds shall be issued as fully registered obligations only, shall be dated February 1, 2020 (the "Bond Date"), shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on October 1 in each of the years and in principal installments (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the following schedule:

<u>YEAR OF STATED MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>INTEREST RATE (%)</u>
2020	10,000	0.00
2021	675,000	0.00
2022	675,000	0.00
2023	675,000	0.00
2024	675,000	0.00
2025	675,000	0.00
2026	675,000	0.00
2027	675,000	0.00
2028	675,000	0.00
2029	675,000	0.01
2030	675,000	0.08
2031	675,000	0.16
2032	675,000	0.22
2033	675,000	0.27
2034	680,000	0.33
2035	680,000	0.37
2036	685,000	0.40
2037	685,000	0.44
2038	690,000	0.48
2039	695,000	0.51
2040	695,000	0.54

The Bonds shall bear interest on the unpaid principal amounts from the date of delivery to the initial Purchaser (which date shall be the date noted in the Registration Certificate of the Paying Agent/Registrar appearing on the definitive Bonds delivered in exchange for the Initial Bond, and is anticipated to be February 26, 2020), and interest shall be calculated upon the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds shall be payable on April 1, 2020 and each October 1 and April 1 thereafter until maturity or prior redemption.

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

The selection and appointment of BOKF, NA, Dallas, Texas, as Paying Agent/Registrar for the Bonds is hereby approved and confirmed, and the Authority agrees and covenants to cause to be kept and maintained at the Designated Payment/Transfer Office (identified below) of the Paying Agent/Registrar books and records (the "Security Register") for the registration, payment and transfer of the Bonds, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement", substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and Authority may prescribe; and the President or Vice President and Secretary or Assistant Secretary of the Board of Directors of the Authority are authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The Authority covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the Authority agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or the redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated office in St. Paul, Minnesota (the "Designated Payment/Transfer Office"). Interest on each Bond shall be paid to the Holder whose name appears in the Security Register at the close of business on the Record Date (the fifteenth (15th) day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States mail, first class postage prepaid, to the address of the Holder recorded in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. Provided, however, while the Texas Water Development Board (the "Board") is the registered owner of the Bonds, payments on the Bonds shall be made by wire transfer without expense to the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or

executive order to be closed, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

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

SECTION 4: Redemption.

(a) Optional Redemption. The Bonds having Stated Maturities on and after October 1, 2030, shall be subject to redemption prior to maturity, at the option of the Authority, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar), on April 1, 2030, or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.

(b) Exercise of Redemption Option. At least forty-five (45) days prior to a redemption date for the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the Authority shall notify the Paying Agent/Registrar of the decision to redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor. The decision of the Authority to exercise the right to redeem Bonds shall be entered in the minutes of the governing body of the Authority.

(c) Selection of Bonds for Redemption. If fewer than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Bonds as representing the number of Bonds Outstanding, which is obtained by dividing the principal amount of such Bonds by \$5,000, and shall select the Bonds to be redeemed within such Stated Maturity by lot.

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

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

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

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

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

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

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

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

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

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

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

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

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

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general, the Authority covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3 and 5 hereof.

The Authority agrees it will not discontinue its use of the DTC Book-Entry-Only System with respect to the Bonds without prior notice to and consent from the Texas Water Development Board while the Board is the Holder of any of the Bonds.

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

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

Notwithstanding the above and foregoing paragraph, the Initial Bonds authorized for delivery to the initial purchasers in Section 8 hereof shall have printed thereon both Certificates of Registration appearing in Section 9(c) and 9(d) hereof, and both such certifications shall be required to be manually executed in connection with the initial delivery of the Initial Bonds and both such certifications appearing on the Initial Bonds, duly signed, shall be conclusive evidence that such Initial Bonds have been duly certified, registered and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered Bond in the total principal amount of \$13,595,000 with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered Bonds, being one bond for each year of maturity in the applicable principal amount and numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial Purchaser, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to appear on the Initial Bond, the Registration Certificate of Paying Agent/Registrar to appear on the definitive Bonds, and the form of Assignment to appear on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution, and the Bonds may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association if available, and otherwise the reference to CUSIP NO. in the form of Bond may be omitted from the Bonds) and such legends and endorsements (including insurance legends in the event the Bonds are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the Authority or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

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

(b) Form of Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

United States of America
State of Texas
Counties of Collin, Cooke, Fannin, and Grayson
Greater Texoma Utility Authority
Contract Revenue Bonds, Series 2020
(City of Sherman Project)

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP NO.
February 1, 2020	_____ %	October 1, 20____	_____

Registered Owner:

Principal Amount:

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner of this Bond named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above, the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is the delivery date of this Bond to the initial Holder (which delivery date is anticipated to be February 26, 2020) or this Bond bears the originally executed Registration

Certificate of the Comptroller of Public Accounts, in which case it shall bear interest from such date) at the per annum rate of interest specified above computed upon the basis of a 360-day year consisting of twelve (12) 30-day months; such interest being payable on April 1, 2020, and on each October 1 and April 1 thereafter until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity date or date of redemption to the Holder hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the Registration Certificate hereon, or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the fifteenth (15th) day of the month next preceding each interest payment date, and interest and principal due shall be paid by the Paying Agent/Registrar by check sent United States mail, first class postage prepaid, at the expense of the Authority or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

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

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

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$13,595,000 (herein referred to as the "Bonds") pursuant to a Resolution adopted by the governing body of the Authority (herein referred to as the "Resolution"), for the construction, acquisition, and improvement of wastewater system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including aeration basin upgrades, control building expansion, and rehabilitation to the biological clarifier, storm water lift station, equalization basin, primary clarifier No. 1, sludge pump station, and other appurtenances as necessary for wastewater treatment plant improvements, construction of a brine line from the water treatment plant to an existing lift station, and other appurtenances and costs to transport the water treatment plant reject water, the payment of all costs incident and related to the construction, acquisition and financing thereof, and for the purpose of funding the portion of the Required Reserve Fund Amount attributable to the Bonds, under and in strict conformity with the Constitution and laws of the State of Texas.

The Bonds maturing on and after October 1, 2030, may be redeemed prior to their Stated Maturities, at the option of the Authority, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected by lot by the Paying Agent/Registrar) on April 1, 2030, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

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

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

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

The Bonds constitute special obligations of the Authority, and, together with the Outstanding Previously Issued Bonds any Additional Bonds, if issued, are payable as to principal and interest solely from and equally secured by a first lien on the Pledged Revenue of the Authority (identified and defined in the Resolution, and including revenues to be received under and pursuant to a Contract For Water Supply and Sewer Service between the Authority and the City of Sherman, Texas, dated as of March 1, 1985, together with all amendments thereto). Reference is hereby made to the Resolution, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the

description of and the nature and extent of the revenues pledged for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Authority and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein have the same meanings assigned in the Resolution.

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

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

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

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

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid and binding obligation of the Authority have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that the issuance of the Bonds does not exceed any constitutional or statutory

limitation. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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

GREATER TEXOMA UTILITY AUTHORITY

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER
OF PUBLIC ACCOUNTS

THE STATE OF TEXAS

(
(
(
(

REGISTER NO. _____

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Registration Certificate of Paying Agent/Registrar.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

The designated offices of the Paying Agent/Register in St. Paul, Minnesota is the "Designated Payment/Transfer Office" for this Bond.

BOKF, NA, Dallas, Texas,
as Paying Agent/Registrar

By: _____
Authorized Signature

Registration Date:

(e) Form of Assignment.

ASSIGNMENT

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

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

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

DATED: _____

Signature Guaranteed:

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

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

REGISTERED
NO. T-1

REGISTERED
\$13,595,000

United States of America
State of Texas
Counties of Collin, Cooke, Fannin, and Grayson
Greater Texoma Utility Authority
Contract Revenue Bonds, Series 2020
(City of Sherman Project)

Bond Date: February 1, 2020

Registered Owner: Texas Water Development Board

Principal Amount: THIRTEEN MILLION FIVE HUNDRED NINETY-FIVE THOUSAND DOLLARS

The Greater Texoma Utility Authority (hereinafter referred to as the "Authority"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on October 1 in each of the years and in principal amounts in accordance with the following schedule:

<u>YEAR OF</u> <u>STATED MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>
--	-------------------------	----------------------

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

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the date of delivery of this Bond to the initial purchasers (which delivery date is anticipated to be February 26, 2020) at the per annum rates of interest specified above computed upon the basis of a 360-day year consisting of twelve (12) 30-day months; such interest being payable on April 1, 2020, and on each October 1 and April 1 thereafter until maturity or prior redemption. Principal of and premium, if any, on this Bond shall be payable at the Stated Maturities or on a prepayment date thereof by BOKF, NA, Dallas, Texas (the "Paying Agent/Registrar"), only upon presentation and surrender of this Bond to its designated offices in St. Paul, Minnesota (the "Designated Payment/Transfer Office"), or its successor. Interest is payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the fifteenth (15th) day of the month next preceding each interest payment date, and interest and principal due shall be paid by the Paying Agent/Registrar by check sent United States mail, first class postage prepaid, at the expense of the Authority or by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of the Holder. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Certain Definitions. In addition to terms defined elsewhere in this Resolution, for all purposes of this Resolution and in particular for clarity with respect to the

issuance of the Bonds and the pledge and appropriation of the Pledged Revenue therefor, the following definitions are provided:

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

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

(c) The term "Bonds" shall mean the "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)" authorized by this Resolution.

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

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

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

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

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

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

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

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

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

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

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

(l) The term "Previously Issued Bonds" shall mean the Outstanding (1) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2006 (City of Sherman Project)", (2) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2011 (City of Sherman Project)", (3) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2012 (City of Sherman Project)", (4) "Greater Texoma Utility Authority Contract Revenue Refunding Bonds, Series 2012A (City of Sherman Project)", (5) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013 (City of Sherman Project)", (6) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2013A (City of Sherman Project)", (7) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2014 (City of Sherman Project)", (8) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015 (City of Sherman Project)", (9) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015A (City of Sherman Project)", (10) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2015B (City of Sherman Project)", (11) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017 (City of Sherman Project)", (12) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2017A (City of Sherman Project)", (13) "Greater Texoma Utility Authority Contract Revenue and Refunding Bonds, Series 2019 (City of Sherman Project)", and (14) "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2019A (City of Sherman Project)" heretofore issued which are in every respect on a parity with the Bonds.

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

(n) The term "Series 2020 Project" shall mean, with respect to the Bonds, the project described in Section 1 hereof.

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

Similarly Secured and the interest thereon shall constitute a first lien upon said Pledged Revenue.

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

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

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

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

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

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

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

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

1. Payments into the Bond Fund, as provided by Section 14;
2. Payments into the Reserve Fund, as provided by Section 15;

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

SECTION 14: Bond Fund. The Authority hereby covenants and agrees to deposit to the credit of the Bond Fund amounts sufficient to pay the principal of and interest on the Outstanding Bonds Similarly Secured as the same becomes due. There shall be deposited into the Bond Fund, by reason of the issuance of the Bonds, from the Pledged Revenue on deposit in the Revenue Fund (i) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds and on or before the twenty-fifth (25th) day of each following month until and including the first interest payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of interest on deposit by the twenty-fifth (25th) day of the month next preceding the first interest payment date, and thereafter on the twenty-fifth (25th) day of each following month, an amount equal to not less than one sixth (1/6) of the next installment of interest; (ii) beginning on or before the twenty-fifth (25th) day of the month next following delivery of the Bonds, and on or before the twenty-fifth (25th) day of each following month until and including the first principal payment date, an amount equal to not less than the fractional amount required in order to have the amount of the first installment of principal on deposit by the twenty-fifth (25th) day of the month preceding the first principal payment date, and thereafter on or before the twenty-fifth (25th) day of each month, an amount equal to one twelfth (1/12) of the next annual principal payment to become due on the Bonds.

Except in compliance with the rules of the Texas Water Development Board, no bond proceeds will be deposited to the Bond Fund.

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

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

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

SECTION 15: Reserve Fund. Upon the delivery of the Bonds, amounts on deposit in the Reserve Fund, allocated as a part of the Reserve Fund for the security of "Bonds Similarly

Secured" under the resolutions authorizing the issuance of such Bonds Similarly Secured (including amounts held in the Reserve Fund by reason of the issuance of the Previously Issued Bonds) shall continue to be held as a part of the Reserve Fund for the security and payment, if required, of Bonds Similarly Secured as defined herein. The Authority hereby covenants and agrees with the holders of the Bonds Similarly Secured that it will provide for the accumulation of, and when accumulated, will thereafter continuously maintain in the Reserve Fund an amount equal to the average annual principal and interest requirement of all Bonds Similarly Secured (the Required Reserve Fund Amount). If any Bonds Similarly Secured are subject to mandatory redemption, the amount required to be redeemed in any Fiscal Year shall be treated as if it matured in that Fiscal Year. The average annual requirement shall be calculated on a Fiscal Year basis on the Outstanding Bonds Similarly Secured on the date of the last series of Bonds Similarly Secured (after giving effect to the issuance of such last series); provided, however, at such time as the Previously Issued Bonds identified in 1 through 3 of Section 10(I) hereof are no longer Outstanding, the average annual requirement shall also be calculated at the end of each Fiscal Year. Any amounts on deposit in the Reserve Fund in excess of such requirement shall be transferred to the Revenue Fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) The resolution authorizing the issuance of the Additional Bonds provides that (i) the amount to be accumulated and maintained in the Reserve Fund shall be in an amount equal to not less than the average annual requirement (calculated on a Fiscal Year basis) of the Outstanding Bonds Similarly Secured, as of the date of the last series of Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds) for the payment of principal of and interest on all obligations to be secured by a first lien on and pledge of the Pledged Revenue, and (ii) any additional amount to be maintained in the Reserve Fund shall be accumulated within not more than 60 months from the date of the passage of the resolution authorizing the issuance of the proposed Additional Bonds.

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

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

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

The Authority further covenants that such insurance with respect to the Project shall be in an amount sufficient to protect the Board's interest in the Series 2020 Project.

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

- (a) A detailed statement of the receipts and disbursements from the Revenue Fund.
- (b) A balance sheet as of the end of such Fiscal Year.
- (c) The Accountant's comments regarding the manner in which the Authority and the City have complied with the covenants and requirements of this Resolution and the Contract and his recommendations for any changes or improvements in the operation, records and accounts of the Authority.
- (d) A list of the insurance policies in force (if obtained by the Authority) at the end of the Fiscal Year on the Project properties, setting out as to each policy the amount thereof, the risk covered, the name of the insurer, and the policy's expiration date.
- (e) A list of the securities which have been on deposit as security for money in the Bond Fund and Reserve Fund throughout the Fiscal Year, a list of the securities, if any, in which money in the Bond Fund and Reserve Fund has been invested, and a statement of the manner in which money in the Revenue Fund has been secured in such Fiscal Year.

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

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

SECTION 22: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Authority covenants and agrees particularly that in the event the Authority (a) defaults in payments to be made to the Bond Fund or Reserve

Fund as required by this Resolution, or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution any Holder shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Board of Directors and other officers of the Authority to observe and perform any covenant, condition or obligation prescribed in this Resolution.

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

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

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

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

(c) So long as any of the Bonds or any interest thereon remain Outstanding, the Authority will not sell or encumber the Project or any substantial part thereof; provided, however, this covenant shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the Project, and, also, with the exception of the Additional Bonds expressly permitted by this Resolution to be issued, it will not encumber the Pledged Revenue unless such encumbrance is made junior and subordinate to all of the provisions of this Resolution.

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

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

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

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

SECTION 26: Notices to Holders-Waiver. Wherever this Resolution provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder as it appears in the Security Register.

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

SECTION 27: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Authority, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Authority may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered that the Authority may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Authority.

SECTION 28: Satisfaction of Obligation of Authority. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Resolution, then the pledge of the Pledged Revenue under this Resolution and all other obligations of the Authority to the Holders shall thereupon cease, terminate, and become void and be discharged and satisfied.

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

"arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar or an authorized escrow agent, pursuant to this Section that is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the Authority or deposited as directed by the Authority. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of four (4) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall, upon the request of the Authority, be remitted to the Authority against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the Authority shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 29: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the Authority and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the Authority and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

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

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

SECTION 30: Sale of the Bonds. The sale of the Bonds to the Texas Water Development Board (herein referred to as the "Purchaser" and the "initial Holder") pursuant to a loan commitment received from said Board, at the price of par, less a loan origination fee of \$233,821.00, to provide for the Bonds to bear interest at an effective interest rate equivalent to the Purchaser's lending rate therefor, is hereby confirmed and declared to be in the best interests of the Authority. Delivery of the Bonds to said Purchaser shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale.

SECTION 31: Construction Fund. The Authority hereby creates a construction fund account in a depository of the Authority, which is known as the "Construction Fund," into which shall be deposited all remaining proceeds derived from the sale of the Bonds in accordance with Section 34 of this Resolution and this Section. To the extent of any conflict between this

Section and Section 34, Section 34 controls. In this Section, when the term "Cost(s) of the Project" is used, the reference is to the Series 2020 Project.

Moneys on deposit in the Construction Fund shall be disbursed only for payment of the respective Costs of the Project financed. All expenditures for construction, labor, and materials shall be disbursed only upon receipt of a certificate of the Engineer (as defined in the Contract) based upon estimates of work and material furnished as approved by such Engineers and submitted to the Authority and the City's Engineer for approval prior to payment. The Authority shall keep records of the nature and amount of all Construction Fund expenditures and make the same available to the City and the engineers at all reasonable times. Should there be any balance in the Construction Fund after all such Costs of the Project have been paid, such balance shall be deposited in the Bond Fund.

Moneys in the Construction Fund may be invested, to the extent such investments are Authorized Investments, in one or more of the following: (a) Government Obligations, (b) certificates of deposit of any bank or trust company that are fully secured by a pledge of direct obligations of, or obligations of which the principal and interest are guaranteed by, the United States of America to the extent such certificates are not insured, which obligations shall mature on dates that coincide as closely as practicable to the dates when money will be needed to pay construction costs as such dates are estimated in schedules prepared by the Engineer and furnished to the Authority. All earnings realized from these investments shall be retained in the Construction Fund until completion of the Series 2020 Project and shall be treated in the same manner as other moneys in the Construction Fund are treated as pursuant to this Resolution.

SECTION 32: Covenants to Maintain Tax-Exempt Status.

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

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

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

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

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

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

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

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

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

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

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

(b) Not to Cause Interest to Become Taxable. The Authority shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on (1) any Bond issued hereunder or (2) any series of bonds or obligations issued or incurred by the Texas Water Development Board or the Texas Water Resources Finance Authority to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Authority receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Authority shall comply with each of the specific covenants in this Section.

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

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

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

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

constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

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

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

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

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

(i) The Authority shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the Authority may commingle Gross Proceeds of the Bonds with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the Authority shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The Authority shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six (6) years after the final Computation Date.

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

all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

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

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

(j) Nonpurpose Investments. No portion of the proceeds of the Bonds will be used, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire Nonpurpose Investments which produce a yield materially higher than the yield on the Board's bonds that were issued to provide financing for the Bonds (the "Source Series Bonds"), other than Nonpurpose Investments acquired with:

(i) proceeds of the Board's Source Series Bonds invested for a reasonable temporary period of up to three (3) years (reduced by the period of investment by the Board) until such proceeds are needed for the facilities to be financed;

(ii) amounts invested in a bona fide debt service fund, within the meaning of § 1.148-1(b) of the IRS Regulations; and

(iii) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed the least of maximum annual debt service on the Bonds, 125% of average annual debt service on the Bonds, or 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Bonds.

SECTION 33: Control and Custody of Bonds. The President of the Board of Directors of the Authority shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending approval by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

Furthermore, the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, are hereby authorized and directed to furnish and execute such documents relating to the Authority and its

financial affairs as may be necessary for the issuance of the Bonds, the approval of the Bonds by the Attorney General and their registration by the Comptroller of Public Accounts and, together with the Authority's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for printing of the definitive Bonds and the delivery of the Initial Bond(s) to the initial Purchaser and the exchange thereof for definitive Bonds.

SECTION 34: Rules and Regulations of the Texas Water Development Board. In compliance with the published rules and regulations of the Texas Water Development Board (the "Board"), the Authority agrees and covenants that upon completion of the Series 2020 Project, the proper officials of the Authority promptly shall cause to be prepared and submitted to the Board (i) a final accounting of the total costs of the Series 2020 Project and the expenditure of funds therefor and (ii) a copy of the construction plans for the Series 2020 Project as built and completed. In addition to other information required by the Board, said final accounting shall identify (i) all funds utilized or represented to be available in the Authority's application, from whatever source derived, and (ii) all Series 2020 Project costs contained and approved in the Authority's application to the Board or approved in subsequent change orders. If the total cost of the Series 2020 Project is less than the amount of the Series 2020 Project funds available, then the Authority may use such surplus proceeds remaining after completion of the Series 2020 Project and completion of a final accounting in a manner as approved by the Executive Administrator. Execution and delivery of an Escrow Agreement, substantially in the form attached hereto as **Exhibit C**, by the President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, is hereby approved. The Construction Fund shall be held subject to the Escrow Agreement and moneys deposited therein shall be kept separate from other funds and accounts of the Authority. The Authority further covenants and agrees (i) that certain proceeds of sale of the Bonds shall be deposited in the Construction Fund created by Section 31 of this Resolution and established with a depository of the Authority, and (ii) all funds deposited in such Construction Fund shall be disbursed only for the Series 2020 Project and, as is appropriate, in accordance with the provisions of Chapter 15 or 17 of the Texas Water Code.

The Authority further agrees and covenants as follows:

(i) to comply with all applicable laws of the State of Texas and all applicable rules and policies of the Board with respect to the acquisition and construction of the Series 2020 Project and the loan of funds to the Authority by the Board evidenced by the Bonds.

(ii) no bond proceeds will be used for sampling, testing, removing or disposing of contaminated soils and/or media at the project site and, to the extent permitted by law, to indemnify, hold harmless and protect the Board from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport and/or removal and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the Authority, its contractors, consultants, agents, officials and employees as a result of activities relating to the project.

(iii) all laborers and mechanics employed by contractors and subcontractors for the Series 2020 Project shall be paid wages at rates not less than prevailing on projects of a similar character in the locality in accordance with the Davis-Bacon Act, and the U.S. Department of Labor's implementing

regulations. The Authority, all contractors, and all subcontractors shall ensure that all Project contracts mandate compliance with Davis-Bacon. All contracts and subcontracts for the construction of the Series 2020 Project shall include in full in any contract in excess of \$2,000 the contracts clauses as provided by the Board.

(iv) the Authority will abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by 31 TAC § 375.3, 33 U.S.C. § 1388, and related State Revolving Fund Policy Guidelines.

(v) the Contract shall not be amended or revised in a manner to affecting the financial condition of the Authority and its ability to pay the Bonds without the prior written approval of the Board's Executive Administrator.

(vi) the Authority shall provide the Board with all information required to be reported in accordance with the Federal Funding Accountability and Transparency Act of 2006, Pub. L. 109-282, as amended by Pub. L. 110-252. The Authority shall obtain a Data Universal Numbering System ("DUNS") Number and shall register the System for Award Management ("SAM"), and maintain current registration at all times while the Bonds are outstanding.

(vii) all proceeds of the Bonds will be timely and expeditiously used, as required by 40 CFR § 35.3135(d) and the Authority will adhere to the approved project schedule.

(viii) the Board may exercise all remedies available to it in law or equity, and any provision of the Bonds that restricts or limits the Board's full exercise of these remedies shall be of no force and effect.

(ix) neither the Authority nor a related party thereto will acquire any of the Board's bonds that were issued to provide financing for the Bonds in the amount of the Bonds to be acquired from the Authority by the Board.

(x) prior to any action by the Authority to convey the project (including the related obligation to repay the Bonds) to another entity, the conveyance and assumption must be approved by the Board; the Authority notify the Board's Executive Administrator prior to taking actions to alter the Authority's legal status in any manner, including any transfer of substantially all of its assets to another entity.

(xi) the proceeds of the Bonds shall be held in a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257.

(xii) the Authority will refrain from using the proceeds of the Bonds or the proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Obligations in contravention of the requirements of Section 149(d) of the Code (relating to advance refundings).

SECTION 35: Legal Opinion. The Purchaser's obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of Norton Rose Fulbright US LLP, Attorneys, concerning the validity of the Bonds, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds by the Purchasers. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds, or an executed counterpart thereof shall accompany the global Bonds deposited with the Depository Trust Company.

SECTION 36: CUSIP Numbers. CUSIP numbers may be printed or typed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Authority nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the Bonds.

SECTION 37: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 38: Resolution a Contract - Amendments. This Resolution shall constitute a contract with the Holders from time to time, be binding on the Authority, and shall not be amended or repealed by the Authority so long as any Bond remains Outstanding except as permitted in this Section and in Section 39 hereof. The Authority, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds Similarly Secured then outstanding, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the consent of all Holders of the Bonds then outstanding, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

SECTION 39: Continuing Disclosure Undertaking.

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

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

"MSRB" means the Municipal Securities Rulemaking Board.

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

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

(b) Annual Reports. The Authority shall provide annually to the MSRB (1) within six (6) months after the end of each Fiscal Year, financial information and operating data of the general type described in **Exhibit D** hereto and (2) if not provided as part of such financial information and operating data, audited financial statements of the Authority and the City, when and if available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in **Exhibit D** hereto, or such other accounting principles as the Authority may be required to employ from time to time pursuant to state law or regulation, and audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available by the required time, the Authority will provide unaudited financial information of the type included in the final Application for Financial Assistance and described in **Exhibit D** by the required time and audited financial statements when and if such audited financial statements become available.

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

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

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

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the Authority, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and

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

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

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

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

(e) Limitations, Disclaimers, and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Section with respect to the Authority and

the Bonds while, but only while, the Authority remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Authority in any event will give notice required by subsection (c) hereof of any Bond calls and defeasance that cause the Authority to be no longer such an "obligated person".

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

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

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

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

Notwithstanding anything herein to the contrary, the provisions of this Section may be amended by the Authority from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Authority, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the Authority if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the Authority's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the Authority so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided

in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 40: Further Procedures. Any one or more of the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Authority all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the President, Vice President, Secretary, and/or Assistant Secretary of the Board of Directors of the Authority, and the General Manager of the Authority, and Bond Counsel are each hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the documents authorized and approved by this Resolution: (i) in order to cure any technical ambiguity, formal defect, or omission in the Resolution or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Resolution, which determination shall be final. In the event that any officer of the Authority whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 41: Amendment of Contract. The Contract is amended to include the Series 2020 Project and a description of the Series 2020 Project shall be attached to the contract as Exhibit C-12. In all other respects the Contract is reapproved and shall be and remain in full force as the agreement of the parties.

SECTION 42: Incorporation of Findings and Determinations. The findings and determinations of the Board of Directors of the Authority contained in the preamble hereof are hereby incorporated by reference and made a part of this Resolution for all purposes as if the same were restated in full in this Section.

SECTION 43: Benefits of Resolution. Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person other than the Authority, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Authority, the Paying Agent/Registrar and the Holders.

SECTION 44: Inconsistent Provisions. All orders or resolutions, or parts thereof, that are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

SECTION 45: Governing Law. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 46: Severability. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

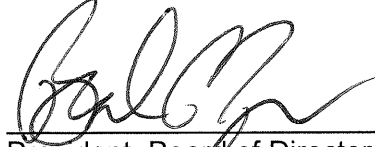
SECTION 47: Public Meeting. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 48: Effective Date. This Resolution shall be in force and effect from and after its passage on the date shown below.

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PASSED AND ADOPTED, this January 22, 2020.

GREATER TEXOMA UTILITY AUTHORITY



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(Seal)

EXHIBIT A

Paying Agent/Registrar Agreement

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of January 22, 2020 (this "Agreement"), by and between BOKF, NA, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the Greater Texoma Utility Authority (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project)" (the "Securities"), dated February 1, 2020, such Securities scheduled to be delivered to the initial purchasers thereof on or about February 26, 2020; and

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

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

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

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

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

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall not exceed the dollar limitation set forth in Section 2271.002(a)(2) of the Texas Government Code, as amended.

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

ARTICLE TWO DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE THREE PAYING AGENT

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

BOKF, NA Corporate Trust Services
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402

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

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

ARTICLE FOUR REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE FIVE THE BANK

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

Section 5.02 Reliance on Documents, Etc.

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

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

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

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in

a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE SIX MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 6.12 Iran, Sudan or Foreign Terrorist Organizations. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

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

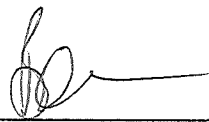
The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Section 6.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

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

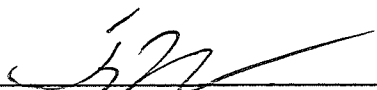
BOKF, NA

By: _____

Title: Vice President

Address: 5956 Sherry Lane, Suite 1201
Dallas, Texas 75225

Attest:

_____

Title: Vice President

GREATER TEXOMA UTILITY AUTHORITY

By: _____

President, Board of Directors

Address: 5100 Airport Drive
Denison, Texas 75020

ATTEST:

Secretary, Board of Directors

ANNEX A



Greater Texoma Utility Authority
Contract Revenue Bonds, Series 2020
(City of Sherman Project)

PAYING AGENT/REGISTRAR

Schedule of Fees

Acceptance Fee: **WAIVED**

Annual Administration Fee: **\$600.00**

Invoiced semi-annually at \$300.00 in advance. First year's fee is due at closing.

For ordinary administration services by Paying Agent /Registrar – includes daily routine account management and processing in accordance with the agreement. Float credit received by the bank for receiving funds that remain uninvested are deemed part of the Paying Agent's compensation.

Call or Redemption of Bonds **At Cost**
Cost includes distribution to holders of record, redemption processing and notification through DTC. Any and all publication expenses including Bond Buyer, Regional and Financial Periodicals for the call notice will be billed to the Issuer at cost.

Charges for performing extraordinary or other services not contemplated at the time of the execution of the transaction or not specifically covered elsewhere in this schedule will be determined by appraisal in the amounts commensurate with the service provided. Counsel fees, if ever retained as a result of a default, or other extraordinary occurrences on behalf of the bondholders or Bank of Texas, will be billed at cost.

Services not included in this Fee Schedule, but deemed necessary or desirable by you, may be subject to additional charges. Our proposal is subject in all aspects to review and acceptance of the final financing documents which sets forth our duties and responsibilities.

Erin Fitzpatrick
Vice President
Tel: 972.892.9972
efitzpatrick@bokf.com

BOK Financial
Corporate Trust Services
5956 Sherry Lane, Suite 1201
Dallas, TX 75225

EXHIBIT B

Contract For Water Supply and Sewer Service

CONTRACT FOR WATER SUPPLY AND SEWER SERVICE

THE STATE OF TEXAS

THE COUNTY OF GRAYSON

THIS AGREEMENT is made and entered into as of March 1, 1985, between the GREATER TEXOMA UTILITY AUTHORITY (hereinafter referred to as the "Authority"), a conservation and reclamation Authority, a governmental agency, a political subdivision of the State of Texas, and a body politic corporate, duly created, existing and acting by virtue of Chapter 97, Acts of the 66th Legislature of Texas, Regular Session, 1979, as amended, (the "Act") and the CITY OF SHERMAN, TEXAS, a municipal corporation in the County of Grayson, Texas (hereinafter referred to as the "City") duly created and existing under the laws of the State of Texas;

W I T N E S S E T H:

WHEREAS, the Authority, acting pursuant to the Act, proposes to issue its bonds for the purpose of providing (i) certain sanitary sewer collection and treatment facilities for use by the City, and (ii) an additional supply of water to the City and certain water supply facilities in order to store and transport such water to the City; and

WHEREAS, certain revenues to be received by the Authority from the City under this Agreement are to be pledged to the payment and security of the bonds to be issued by the Authority and will constitute the basis for the Authority's credit in financing such facilities; and

WHEREAS, the Authority and the City, acting through their duly constituted governing bodies, have mutually agreed upon the terms and conditions of this Agreement; now, therefore,

IN CONSIDERATION of the mutual covenants, agreements and undertakings herein set forth, the parties hereto hereby agree and contract as follows:

Definitions

SECTION 1.01: Unless the context shall indicate a contrary meaning of intent, the terms below defined, for all purposes of this contract and any contract amendatory or supplemental to this contract, shall be construed or used and are intended to have meanings as follows:

- (a) "Authority" shall mean the Greater Texoma Utility Authority, or its successor.
- (b) "Board" and "Board of Directors" shall mean the Board of Directors of the Authority.
- (c) "Bond Resolution" shall mean any resolution of the Board of Directors authorizing the issuance of the Bonds and providing for their security and payment, as such resolution(s) may be amended from time to time as therein permitted, where the proceeds from the sale of the Bonds will be used to discharge the cost of the Project.
- (d) "Bonds" shall mean any Bonds to be issued by the Authority for the purpose of providing funds to pay the necessary costs of the Project, whether in one or more series or issues, or any bonds issued to refund same.
- (e) "City" shall mean the City of Sherman, Texas.
- (f) "Cost of the Project" shall mean, with respect to the Water Project or the Sewer Project, all cost and expense incurred in connection with the acquisition, construction, improvements, enlargement, extension and repair of the Project, including, without limiting the generality of the foregoing, the cost of the acquisition of all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, interest and administrative expenses expected to accrue during the period of construction, the funding of any reserve funds created by the Bond Resolution(s), cost of estimates and of engineering and legal services, plans, specifications, surveys, estimates of cost and of revenue, other expenses necessary or incident to determining the feasibility and practicability of acquiring, constructing, improving, enlarging, extending, or repairing the Project, and such other expense as may be necessary or incident to the acquisition, construction, improvement, enlargement, extension or repair of the Project and all legal fees, printing and other cost, fees and expenses necessary for or incident to the issuance of the Bonds.
- (g) "Engineer" shall mean a registered, professional engineer (who may be the City Engineer or the Authority's Engineer). The City and Authority agree that the Engineer may be a

different firm on different aspects of the Project; that the Engineers (and the scope of their work) are set forth in Exhibit A; and that the Project will be acquired, constructed, improved, enlarged, extended and repaired in accordance with the plans and specifications prepared under the supervision of the Engineer. It is further agreed that an Engineer may be changed or added and the scope of duties adjusted by the Authority, subject to the consent of the City.

- (h) "Fiscal Year" shall mean the twelve month operating period (under this Agreement) commencing October 1st of each year, provided such twelve month period may be changed one time in any three calendar year period by agreement of the Authority and the City (which agreement, if made, shall be attached hereto as an exhibit).
- (i) "Maintenance and Operation Expense of the Project" shall mean the expense of maintenance and operation of the Project including all salaries, labor, materials, interest, repairs, and replacements necessary to render efficient service, or which might be necessary to meet some physical accident or condition which would otherwise impair the security of the Bonds. Such term shall not include depreciation.
- (j) "Operator" shall mean the party to this contract who is designated (in Exhibit B) as the party responsible for the act to be performed.
- (k) "Project" shall mean, collectively, the Water Project and the Sewer Project.
- (l) "Sewer Project" shall mean the sanitary sewer facilities which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder, and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Agreement, or obtained as grant funds, from any source, for the purpose of paying all or part of the cost of the Project described in Exhibit C (as now or hereafter amended).

- (m) "Water Project" shall mean the water supply, storage and transmission facilities which are to be (i) constructed or acquired in order to meet the contractual obligations hereunder and (ii) financed by the Authority through the issuance of bonds or other obligations, to the extent the same are payable from the money paid or required to be paid by the City under this Agreement or obtained as grant funds, from any source; for the purpose of paying all or part of the cost of the Project described in Exhibit "D" (as now or hereafter amended).

ARTICLE II

Representations and Agreements

SECTION 2.01: The City's Representations and Agreements. In connection with its undertakings hereunder, the City represents to the Authority and agrees with the Authority as follows:

- (a) In its capacity as a duly incorporated City of Texas, it is empowered under applicable laws of Texas, particularly under the Interlocal Cooperation Act, to enter into the engagements prescribed for it under this agreement and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this contract.
- (b) It will timely pay to the Authority the full amount it is required to pay under the provisions of this contract for the services supplied by the Project.
- (c) That it will plan, construct, maintain, operate and finance its own utility system and set retail rates to individual customers for water and sanitary sewer service adequate to pay all City obligations secured by and made payable from the revenues derived from the operation of the City's combined Water and Sanitary Sewer System.
- (d) That it will cooperate with the Authority in the performance of the duties and responsibilities assigned to the Authority by this contract.

SECTION 2.02: Representations and Agreements of Authority.
In connection with its undertakings hereunder, the Authority represents to the City and agrees with the City as follows:

- (a) In its capacity as a conservation and reclamation Authority created by the Act, pursuant to Article XIV, Section 59 of the Texas Constitution, it is empowered under applicable laws of the State of Texas, particularly under the Interlocal Cooperation Act and the Texas Water Code, to enter into the engagements prescribed for it under this agreement and to perform all obligations which may result therefrom, and its governing body has duly authorized execution of this contract.
- (b) That it will finance all costs of the Project not provided by the City and any grant secured for the construction of the Project.

SECTION 2.03: Construction. The Operator agrees to assume responsibility for the construction of the Project and the Authority will enter into such contracts as are necessary to provide the Project. To this end, the Authority and the City agree that:

- (a) Unless otherwise agreed by the parties, the Operator shall be responsible for the preparation of final plans and specifications for the Project.
- (b) Final plans and specifications for the Project shall be subject to the approval of the Authority and the City.
- (c) All construction contracts shall be let and awarded pursuant to the laws applicable to the Authority.
- (d) The Authority shall let and award all construction contracts, subject to the approval of each contract by the City.
- (e) The Authority shall deposit from the proceeds from the sale of its Bonds in a special Construction Fund to be created and established by the Bond Resolution(s), an amount of money which shall be specified in said Bond Resolution(s). The Authority shall draw on and use said Construction Fund to pay the cost of acquiring, constructing, improving, extending, enlarging and repairing the Project.

- (f) Unless otherwise agreed by the parties, the Operator shall be responsible for the acquisition of all land, rights-of-way, property rights, easements and interest required to provide the Project, subject to the approval of the City and the Authority.

ARTICLE VII

Fiscal Matters

SECTION 3.01: Payment for Service. The Authority will provide from the proceeds received through the issuance and sale of its Bonds such funds as are necessary, when coupled with any funds or property provided by the City and any grant received for the purpose of providing all or part of the Project. It is agreed that the City and its customers shall have the exclusive use of the entire Project for the useful life of the Project. In consideration for the Authority's obligation hereunder, the City recognizes and agrees that the Authority will acquire an undivided interest in the Project equivalent to the percentage of the total cost of the Project provided by the Authority through the issuance and sale of its Bonds. It is further agreed that the City's obligations to make any and all payments specified in this Article will terminate when all of the Authority's Bonds issued in connection with the Project have been paid in full and retired and are no longer outstanding. It is further understood and agreed that the Authority's only source of funds to pay the principal of and interest on its Bonds is from the payments to be made by the City to the Authority under this contract, and the City agrees that it will make to the Authority the following payments:

- (a) Monthly amortization payment -- Such amounts, payable monthly on or before the 25th day of each month, in approximately equal installments, as are necessary to pay (i) the principal coming due on the Authority's Bonds on the next succeeding principal payment date; (ii) the interest coming due on the Authority's Bonds on the next succeeding interest payment date; and, (iii) the fees and charges of the Paying Agent(s) for paying or redeeming the Bonds and interest thereon coming due on each applicable date.
- (b) Reserve Fund Payment -- Such amount as is required to be paid into the Reserve Fund from the Revenue Fund (out of payments to be made by the City) under the Bond Resolution in order to establish, maintain or replenish the Reserve for the security and payment of Bonds similarly secured.

- (c) Administrative Payment -- An amount sufficient to pay the administrative and overhead expenses of the Authority, directly attributable and chargeable to the Bonds and the Project, including the cost of routine annual accounting reports.
- (d) Extraordinary Expense Payment -- Such amounts, as are necessary to pay, or reimburse the Authority for any extraordinary or unexpected expenses or costs reasonably and necessarily incurred by the Authority in connection with the Bonds and the Project, such as expenses of litigation, if any, and costs of special studies and special professional services, if and when required by any governmental directive or regulation or as may be agreed between City and Authority.
- (e) The cost of Maintenance and Operation of the Project (for which provision is made in Section 3.03) if the Authority is the Operator under that Section.

SECTION 3.02: Time for Making of Payments. The City agrees to make the payments required by Section 3.01 at the times hereafter specified:

- (a) Monthly Amortization Payments -- the City shall commence making monthly amortization payments at such time as any amount required by the Bond Resolution(s) to be deposited into an escrow account for the payment of interest on the Bonds during the Project construction period has been fully exhausted, provided that such payments shall commence in no event later than the earlier of (i) twelve months prior to the first principal payment date specified in the Bond Resolution(s), or (ii) six months prior to the first interest payment date for which monies are not set aside for the payment of the interest coming due on such date from the proceeds of the Bonds. Monthly amortization payments shall continue to be made throughout the term of the contract and shall be adjusted by the City so as to provide for the accumulation of the full amount of debt service requirements (principal, interest and paying agent fees due on any given payment date) on or before the first day of the month such debt service requirements become due.

- (b) Reserve Fund Payment -- the City shall commence making these payments on the 25th day of a month, as may be provided in the Bond Resolution, after the delivery of the initial series of Bonds to provide the Project, and upon the issuance of additional Bonds, shall increase the payments in accordance with the Resolution authorizing such Bonds.
- (c) Administrative Payment -- the City shall commence making the administrative payment on the 10th day following the effective date of this Contract, and thereafter such payment shall be made on the 25th day of each month thereafter throughout the term of this contract.
- (d) Extraordinary Expense Payment -- the City shall make any extraordinary expense payment immediately upon receipt of the statement therefor.
- (e) Maintenance and Operating Expenses: (i) if the City is designated as the Operator under Section 3.03, such expenses shall be paid by the City as the same becomes due; or (ii) if the Authority is designated as the Operator under Section 3.03, the City shall pay (up to the amount annually budgeted for such expenses) the amount which the Authority determines shall be required in such months, such payments to be made on or before the 25th day of each month after the Project becomes operational. The annual budget shall be prepared by the Authority at least thirty (30) days prior to the date the project is to become operational, or, thereafter prior to the beginning of each fiscal year; the budget shall then be submitted to the City which may indicate exceptions or suggestions, which shall then be considered by the Board. If an annual budget is found to be insufficient or excessive, the parties agree the same shall be taken into consideration by an amendment as well as the budget for the following year, with the view that additional payments shall be made or credit shall be given so that expenditures match receipts over the fiscal year or an adjustment is made in the following month.

SECTION 3.03: Maintenance and Operation of the Project.
Unless otherwise agreed by the parties, it is agreed that the Operator will be responsible for maintaining and operating the Project for the entire term of this Contract, and shall

pay all costs and expenses incurred in regard to the maintenance and operation of the Project. The Operator hereby agrees and covenants to operate and maintain the Project in accordance with accepted good business and engineering practices and in accordance with all applicable federal and state laws, including any rules and regulations issued by appropriate agencies in the administration of said laws. If the City is the Operator under this section, the City agrees to indemnify and to save and hold harmless the Authority from any and all claims, damages, losses, costs and expenses, including reasonable attorney fees, arising at any time from the acquisition, existence, ownership, operation and maintenance of the Project.

SECTION 3.04: Insurance. The Operator specifically agrees to carry fire, casualty, public liability, or other insurance on the Project for purposes and in amount which would ordinarily be carried by a municipal corporation owning and operating such facilities. Such insurance will provide, to the extent feasible and practicable, for the restoration of damaged or destroyed properties and equipment so as to minimize the interruption of services of such facilities. All premiums for such insurance shall constitute a maintenance and operation expense of the Project.

SECTION 3.05: Covenant of Timely Payment. The City covenants that it will timely make (i) the monthly amortization payments and (ii) the additional payments specified hereunder in accordance with the provisions of this contract as the same shall become due and payable, irrespective of whether service of the Project has been abandoned or discontinued, or if the Project has been rendered wholly or partially useless by reason for "force majeure". The City recognizes the fact that the Authority will use the payment received from the City hereunder to pay, secure and finance the issuance of the Bonds, and the holders of the Bonds shall be entitled to rely on the foregoing covenant of payment regardless of any other agreement that may exist between the Authority and the City.

SECTION 3.06: Late Payment Penalty. Should the City fail to make any payment at the times herein specified, interest on such amounts shall accrue at the rate of ten per centum (10%) per annum from the date such payment becomes due until paid in full with interest as herein specified. In the event such payment is not made within sixty (60) days from the date such payment becomes due, the Authority may institute a proceeding for a mandatory injunction requiring the payment of the amount due and interest thereon, such action to be instituted in a court of competent jurisdiction.

SECTION 3.07: Priority of Charges - City to Fix Adequate Rates.

- (a) The City represents and covenants that all payments to be made by it hereunder shall constitute "operating expenses" of the City's combined Water and Sanitary Sewer System.
- (b) The City further agrees to fix and collect such rates and charges for water and sanitary sewer services to its customers as will make possible the prompt payment of all expenses of operating and maintaining its combined Water and Sewer System, including all payments, obligations and indemnities contracted hereunder.

SECTION 3.08: Nature of Obligation of City. The payments required to be made by the City under the terms of this Contract shall be due and payable in any and all events regardless of whether there shall be, for any reason, a delay in the completion of all or any part of the Project and regardless of whether the Project shall have been wholly or partially destroyed or damaged. The agreements of the City shall be and are separate and independent covenants and the City shall have no rights of setoff, recoupment, or counterclaim. The Authority shall never have the right to demand payment of any amounts due hereunder by the City out of funds raised or to be raised by taxation. Any obligations assumed or imposed on either party hereto shall never be construed to be a debt of such party of a kind that would require it to levy and collect taxes to discharge any such obligation, it being expressly understood by the parties hereto that the funds required for all payments due from the City pursuant to this Contract are to be collected from the sources referenced herein, and by no other.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01: Contract Term. The obligation of the City to promptly make all prescribed payments shall commence with the delivery of the first series of Bonds issued to fund the cost of the Project and continue for the period during which the Bonds are outstanding and unpaid.

SECTION 4.02: Useful Life of Project. The City and Authority agree and mutually find that the anticipated useful life of the Project equals or exceeds the period specified in the Bond Resolution(s) for the maturity of all Bonds authorized to be issued.

SECTION 4.03: Abandonment of Use of Project. It is specifically recognized by the parties hereto that the City, during the term of this contract, may acquire other sewer facilities so as to make the continued operation of the Project uneconomical so it will be to the best interest of the parties to discontinue the operation of the Project.

Should the City choose to discontinue the operation of all or part of the Project, the City shall have the exclusive right to the salvage of all of the properties and improvements constituting the Project so discontinued. Any cost of salvage will be a maintenance and operating expense of the City, and any money realized from such salvage will serve as a reduction of such expense. The City shall retain the use of the land where the Project is situated and all remaining improvements thereon for its corporate purposes.

The abandonment of the use of the Project shall have no effect upon the obligations of the City to the Authority provided for by this contract and all payments provided for by this contract shall remain obligations of the City of the same nature as provided for by this contract.

SECTION 4.04: Modification of Provisions. This contract may be changed and modified only with the consent of the governing bodies of all parties signatory. Such modification may be requested by either party, in which event a joint meeting of the governing bodies or of their duly authorized and appointed representatives shall be held not less than thirty (30) days after the giving of such notice. At such joint meeting, the suggested changes or modifications shall be considered, discussed and settled. No such change or modification may be made which will affect adversely the payment when due of all monies required to be paid by the City under the terms of this contract and no such change will be effective which affects adversely or causes a violation of any covenants contained in the Bond Resolution(s).

If for any reason the City may desire the construction of additional facilities over and above those now contemplated, and provided that same are within the legal and economic capabilities of the Authority, provision therefor shall be made by means of a supplement hereto, the terms of which are to be negotiated between the City and the Authority.

SECTION 4.05: Regulatory Provisions. This contract shall be subject to all valid rules, regulations and laws applicable thereto, as promulgated by the United States of America, the State of Texas, or any other governmental body or agency having lawful jurisdiction or any authorized representative or agency of any of them.

SECTION 4.06: Taxes. In the event any sales or use taxes, or taxes of any nature, are hereafter imposed upon the Project, or the Authority on account of the acquisition, existence, ownership, operation and maintenance of the Project, the amount of such taxes shall be treated as operating expenses of the Project.

SECTION 4.07: Title to Water and Sewage. Title to all water and sewage put into the Project under this agreement shall be in the city.

SECTION 4.08: Notices. Any notice, request, demand, statement or bill provided for in this agreement shall be in writing and shall be considered to have been duly delivered when sent by registered mail, addressed as follows:

To the Authority:

5100 Airport Drive
Denison, Texas 75020
Attention: President, Board of
Directors

To the City:

City Hall
P. O. Box 1106
Sherman, Texas 75090
Attention: Mayor, City of Sherman

as the case may be, except that routine communications may be sent by ordinary mail and except that either party, by the filing of an appropriate written notice to the other, may specify some other individual to whom communications thereafter are to be addressed.

SECTION 4.09: Covenant to Enforce Contractual Obligations. The Authority covenants that it will enforce the obligations of the City hereunder as may be required to accomplish the purpose of this contract. Either party may enforce any obligations hereunder owed to it by the other party.

SECTION 4.10: Consequences of City Default. The Authority and the City agree that in the event of default or threatened default, in the payment of principal or interest on the Bonds, any court of competent jurisdiction upon petition of the holders of twenty-five percent (25%) of the principal amount of the then outstanding Bonds of the Authority shall appoint a receiver with authority to collect and receive all resources pledged to the payment of the Bonds, enforce all rights arising from default, if any, by the City in making payment under this contract, and take charge of the pledged funds on hand and manage the proprietary affairs of the Authority insofar as such affairs relate to the

Project. The court may further vest the receiver with such powers and duties, as the court may find necessary for the protection of the holders of the Bonds.

SECTION 4.11: Further Agreements of the Parties. The parties hereto specifically recognize that the City has heretofore issued, sold and delivered revenue bonds that are payable from and secured by a lien on and pledge of the net revenue of its combined Water and Sanitary Sewer System; that the bonds so issued and delivered (which remain outstanding) are fully described in Exhibit E.

The City represents to the Authority:

- (a) There is no provision in the ordinances authorizing the issuance of such revenue bonds which prohibits the City from entering into and executing this contract.
- (b) The execution of this contract and the operation thereunder will not in any way impair the obligation of contract by and between the City and the owners of its outstanding bonds payable from revenues of its Water and Sanitary Sewer System since the Project is in furtherance of governmental policy, not inconsistent with the existing contractual obligations of the City.

SECTION 4.12: Control of Project by Operator. The parties hereto recognize and it is specifically agreed that after completion of the Project and during the term of this contract, the Operator shall have the exclusive right to the use and utilization of the Project, for the benefit of the City; that the Operator without hindrance from the Authority or the City, or the employees or other agents of either of them, may operate, maintain, repair, enlarge, improve, extend, provide for additions to or otherwise control, manage and keep up the said Project.

Except as specified in this Article, the abandonment of the use of all or part of such Project has no effect upon the obligations of the parties.

SECTION 4.13: Force Majeure.

- (a) If for any reason of "force majeure" either of the parties hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement, other than the obligation of City to make the payments required under the terms of Section 3.01 hereof, then if such party shall

give notice and full particulars of such reasons in writing to the other party within a reasonable time after the occurrence of the event, or cause relied on, the obligation of the party giving such notice, so far as it is affected by such "force majeure" shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such parties shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lock-outs, or other industrial disturbances, acts of a public enemy, orders or actions of any kind of the Government of the United States of America or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakages or accident to dams, machinery, partial or entire failure of water supply and inability on the part of the Authority to deliver water hereunder or to provide sewage treatment or of the City to receive water or to deliver sewage treatment, on account of any other cause not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above 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 parties when such settlement is unfavorable to it in the judgment of the party having the difficulty. No failure of Authority to meet any obligation by reason for force majeure shall relieve the City from its obligations to make the payments required under the terms of Section 3.01 hereof.

(b) No damage shall be recoverable from Authority by reason of the suspension of the operation of the Project due to any of the causes above mentioned. If Operator's ability to operate the Project is affected by any of such causes, the Operator shall promptly notify the other party in writing giving the particulars as soon as practicable after the occurrence of the cause or causes for such interruption.

(c) It is expressly recognized by City that the Operator may be compelled to make necessary alterations, repairs or extensions of new or additional facilities from time to time during the life of this Agreement and any suspensions of the operation of the Project due to such operation shall not be cause for claim of damage on part of the Operator provided all reasonable effort is used by the Operator to provide City with the service afforded by the Project in accordance with this Agreement. In such case, the Operator shall give

the other party as much advance notice as may be practicable of the suspension of operation and of the estimated duration thereof.

SECTION 4.14: Easements. City agrees that Authority may have such easements over any easements, right of way or property held by city so that the facilities herein anticipated and the placement thereof and of all required equipment may be appropriately provided.

SECTION 4.15: Bond Approval by the City.

- (a) Prior to the issuance and delivery of any bonds which are: (i) payable as to principal, interest or redemption premium out of the debt service payments, or (ii) to provide facilities or service or any item which is to be maintained by the Authority utilizing any part of the base monthly payments, the City shall approve the issuance thereof as provided in this section.
- (b) If the bonds are to be sold at a public sale, the governing body of the City shall, by resolution, approve (i) the "Notice of Sale" issued or proposed to be issued by the Authority prior to their delivery; and, (ii) the facilities to be constructed or acquired; if the bonds are refunding bonds, the governing body of the City shall, by resolution, approve either (i) the form of purchase contract or (ii) the resolution authorizing the issuance of the refunding bonds.
- (c) If the bonds are to be exchanged for property or services, the governing body of the City shall, by resolution, approve (i) the resolution adopted by the governing body of the Authority which authorizes the issuance of such bonds; and, (ii) the facilities to be constructed or acquired, or the services to be provided.

SECTION 4.16: Effective Date of this Contract. (a) The parties hereto, and the Texas Water Development Board, by virtue of its approval evidenced by the signature of the Development Fund Manager appearing hereon, recognize this Contract is an amendment to and replacement of a "Water Supply Contract" dated June 1, 1980, and a "Sewer Service Contract" dated as of October 1, 1981, (the "prior contracts"). Upon the effective date of this Contract, the prior contracts and their effect shall cease to be of effect.

(b) This Contract shall be effective and be in full force and effect at such time as:

- (1) The Board of Directors of the Authority has adopted a resolution authorizing the issuance of bonds to refund the outstanding bonds of the Authority described as:

- (i) "Greater Texoma Municipal Utility District Revenue Bonds, Series 1981 - City of Sherman Water Supply";
- (ii) "Greater Texoma Municipal Utility District Revenue Bonds, Series 1982-A - City of Sherman Sewer Service"; and
- (iii) "Greater Texoma Utility Authority Revenue Bonds, Series 1983 - City of Sherman Sewer Service"

and the Attorney General of Texas has approved such refunding bonds; and

- (2) The Development Fund Manager of the Texas Water Development Board has consented to the execution of this Contract as evidenced by his signature appearing hereon.

SECTION 4.17: Goverability. The parties hereto agree that if any of the provisions of this Agreement contravene or be held invalid under the laws of the State, same shall not invalidate the whole Agreement but it shall be construed as through not containing that particular provision and the rights and obligations of the parties shall be construed and in force accordingly.

IN WITNESS WHEREOF, the parties hereto, acting under authority of their respective governing bodies, have caused this Agreement to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written.

GREATER TEXOMA UTILITY AUTHORITY

By: Robert B. Smith
President, Board of
Directors

ATTEST:

James M. Smith
Secretary, Board of Directors
(Authority seal)

CITY OF SHERMAN, TEXAS

By: [Signature]
Mayor, City of Sherman

ATTEST:

[Signature]
City Clerk, City of Sherman

APPROVED AS TO LEGAL FORM:

[Signature]
City Attorney, City of Sherman

(City Seal)

The Development Fund Manager of the Texas Water Development Board has consented to the execution of this Contract as authorized by the Texas Water Development Board on July 21, 1983.

[Signature]
Development Fund Manager

EXHIBIT A – SUPPLEMENTAL PROJECT

City of Sherman Wastewater Project

Engineer:

J. Terry Millican
Freeman-Millican, Inc.
9500 Forest Lane, Suite 201
Dallas, TX 75243

(214) 503-0555
(214) 503-1148 (fax)

EXHIBIT A
SUPPLEMENTAL PROJECT (2009)
ENGINEER

U.S. 75 North Sewer Project

Freeman-Millican, Inc.
12225 Greenville Ave., Suite 121
Dallas, TX 75253

EXHIBIT B – SUPPLEMENTAL PROJECT (2009)

City of Sherman

EXHIBIT C – SUPPLEMENTAL PROJECT

Wastewater Project Description

Construction of the North Central relief Sanitary, Sewer and purchase and installation of ultraviolet equipment for the Sherman wastewater treatment plant.

EXHIBIT C-1 -- SUPPLEMENTAL PROJECT

Project Description

The sewer system improvements project for the City of Sherman involves improvements to the biological capacity of the wastewater treatment plant, adding a third aeration basin; and construction of Relief Sewer C in the south central portion of the City of Sherman.

EXHIBIT C-2 – SUPPLEMENTAL PROJECT

Project Description

The construction, acquisition and improvement of wastewater system facilities and necessary appurtenances for use by the City of Sherman, to wit: construction of the North Central Relief Sanitary Sewer and purchase and installation of ultraviolet equipment for the Sherman wastewater treatment plant.

EXHIBIT C-3 - SUPPLEMENTAL PROJECT

Project Description (2008)

Wastewater Treatment Plant Digester Rehabilitation consisting of replacement of compressors, piping, burners, ancillary equipment, and other appurtenances as necessary in sludge digesters; Major Sewer Rehabilitation - Relief Sewer K-4 Phase 1, consisting of construction of relief sewer between McGee Street and Lamberth Road; and Major Sewer Rehabilitation, consisting of sewer mains along US Highway 75 corridor to FM 691, including lift stations and other appurtenances as necessary.

EXHIBIT C-4 - SUPPLEMENTAL PROJECT

PROJECT DESCRIPTION (2009)

Major sewer rehabilitation, consisting of sewer mains along US Highway 75 North of the City of Sherman, including lift stations and other appurtenances as necessary.

EXHIBIT C-5 - SUPPLEMENTAL PROJECT

PROJECT DESCRIPTION (2009-A)

Wastewater Treatment Plant Improvements:

The improvements to the wastewater treatment plant include two digester roof projects, a primary clarifier rehabilitation and a fine screen installment, and other appurtenances as necessary.

Relief Sewers:

Relief Sewer C-1 will replace an existing sewer main that is deteriorated and has infiltration problems. Relief Sewer X-4 replaces a deteriorated sewer line that is also experiencing infiltration problems, and other appurtenances as necessary.

EXHIBIT C-6 - SUPPLEMENTAL PROJECT (2012)

Project Description

Wastewater:

Modifications to the Sherman wastewater treatment plant headworks, including upgrading the variable frequency drive pumps, Phases I and II; East Side Lift Station engineering and design; biosolids engineering, design and construction; relief headworks preliminary engineering and design and storm water storage contingency.

EXHIBIT C-7 – SUPPLEMENTAL PROJECT (2013)

Project Description

Wastewater Treatment Plant Improvements

Improvements to the wastewater treatment plant, including biosolids engineering, design and construction.

Sewers

Construction of Blalock Industrial sewer replacement, all other appurtenances as necessary, and construction of SH289 Sewer Line A and other appurtenances as necessary.

EXHIBIT C-8 – SUPPLEMENTAL PROJECT (2013-A)

WASTEWATER PROJECT DESCRIPTION

Wastewater Treatment Plant Improvements

Relief Headworks Engineering and Construction

Sewers

Construction of South Sherman Relief Sewer and other appurtenances as necessary.

EXHIBIT C-9 – SUPPLEMENTAL PROJECT (2014)

WASTEWATER PROJECT DESCRIPTION

Wastewater Treatment Plant Improvements

Upgrading the UV disinfection system to replace sensors, control elements and other equipment as necessary with more reliable components, reconstructing the head works for lift station.

Wastewater Collection System

Replacement of existing 12" and 18" sewer and new 18" sewer main.

EXHIBIT C-10 – SUPPLEMENTAL PROJECT (2015-A)

Project Description (Sewer)

The construction, acquisition, and improvement of sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including the construction of improvements to the wastewater treatment plant head works lift station and electrical upgrade improvements and other appurtenances as necessary

EXHIBIT C-11 – SUPPLEMENTAL PROJECT (2017A)

Project Description (Sewer)

construction, acquisition, and improvement of sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including the planning, acquisition, design and construction of sewer lines, and other appurtenances as necessary

EXHIBIT C-12 – SUPPLEMENTAL PROJECT (2019)

Project Description (Sewer)

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

EXHIBIT C-13 – SUPPLEMENTAL PROJECT (2020)

Project Description (Sewer)

construction, acquisition, and improvement of wastewater system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including aeration basin upgrades, control building expansion, and rehabilitation to the biological clarifier, storm water lift station, equalization basin, primary clarifier No. 1, sludge pump station, and other appurtenances as necessary for wastewater treatment plant improvements, construction of a brine line from the water treatment plant to an existing lift station, and other appurtenances and costs to transport the water treatment plant reject water

EXHIBIT D -- SUPPLEMENTAL PROJECT

Water Project Description

None

EXHIBIT D-1 – SUPPLEMENTAL PROJECT

Project Description

The water system improvements project for the City of Sherman includes a major water transmission line from US 82 to Taylor Street.

EXHIBIT D-2 -- SUPPLEMENTAL PROJECT

Project Description

City of Sherman various water line replacements and relocations, various water main extensions and various water main relocations and reconstructions and other water appurtenances as needed.

EXHIBIT D-3 -- SUPPLEMENTAL PROJECT

WATER PROJECT DESCRIPTION (2008)

Construction of water line(s) along U. S. 75 from approximately U. S. 82 to FM 691, to including piping and all other appurtenances necessary for the construction of the water line.

EXHIBIT D-1 - SUPPLEMENTAL PROJECT (2011)

Water Project Description

Lake Texoma Pump Station Expansion including installation of two (2) 6,000 HP pumps along with necessary electrical, SCADA, and instrumentation equipment; installation of discharge piping, pump control valves, butterfly valves, and miscellaneous appurtenances; power improvements as needed to supply power to operate the new equipment; condition assessment modifications of Section 1 of the existing 72-inch Texoma Pipeline to upgrade condition and pressure capacity of pipe

EXHIBIT D-5 -- SUPPLEMENTAL PROJECT (2012)

Project Description

Water

Construction of a second water transmission line from the water treatment plant to the distribution system (Phases I and II), including engineering, right of way and construction; modifications to the Lake Texoma Raw Water Pipeline to provide for cleaning facilities to clean zebra mussels from pipeline; and flocculation basin and piping relining.

EXHIBIT D-6 – SUPPLEMENTAL PROJECT (2015)

Project Description (Water)

The construction, acquisition, and improvement of water system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including the planning, acquisition and design associated with the City of Sherman expansion and upgrade and expansion of the water treatment plant, disposal pipeline to the lift station located at the southwest corner of the intersection of U.S. 75 and FM 691 and other appurtenances as necessary

EXHIBIT D-7 – SUPPLEMENTAL PROJECT (2015B)

Project Description (Water)

construction, acquisition, and improvement of water system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including the planning, acquisition, design and construction for a water treatment plant expansion and new elevated storage tank and other appurtenances as necessary,

EXHIBIT D-8 – SUPPLEMENTAL PROJECT (2017)

Project Description (Water)

construction, acquisition, and improvement of water system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including the planning, acquisition, design and construction for a water treatment plant, and other appurtenances as necessary

EXHIBIT D-9 – SUPPLEMENTAL PROJECT (2017A)

Project Description (Water)

construction, acquisition, and improvement of water system facilities and necessary appurtenances for use by the City of Sherman, Texas (the "City"), including the planning, acquisition, design and construction of water lines and rehabilitation of the Gallagher elevated storage tank, and other appurtenances as necessary

EXHIBIT D-10 – SUPPLEMENTAL PROJECT (2019)

Project Description (Water)

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

EXHIBIT D-11 – SUPPLEMENTAL PROJECT (2019A)

Project Description (Water)

Construction, acquisition and improvement of water and sewer system facilities and necessary appurtenances for use by the City of Sherman, Texas and the payment of all costs incident and related to the acquisition and financing thereof.

EXHIBIT E – SUPPLEMENTAL PROJECT (2009)

Outstanding Debt on the System

NONE

EXHIBIT C

Escrow Agreement

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of January 22, 2020, made by and between the Greater Texoma Utility Authority, a political subdivision of the State of Texas in Collin, Cooke, Fannin and Grayson Counties (the "*Authority*"), acting by and through the President and Secretary of the Board of Directors and BOKF, N.A., a banking association duly organized and existing under the laws of the United States of America, or its successors (the "*Bank*"), as Escrow Agent (the "*Escrow Agent*") together with any successor in such capacity:

W I T N E S S E T H:

WHEREAS, pursuant to a resolution (the "*Resolution*") finally adopted on January 22, 2020, the Authority authorized the issuance of \$13,595,000 "Greater Texoma Utility Authority Contract Revenue Bonds, Series 2020 (City of Sherman Project) (the "*Bonds*") for constructing, acquiring, and improving wastewater system facilities and necessary appurtenances for use by the City of Sherman, Texas, as further described in the Resolution (the "*Project*"); and

WHEREAS, such Resolution also confirmed the sale of the Bonds to the Texas Water Development Board (the "*TWDB*"); and

WHEREAS, the Escrow Agent is a bank located in the State of Texas that is an insured depository institution with the Federal Deposit Insurance Corporation (the "*FDIC*") that has been designated a state depository institution by the Texas Office of the Comptroller and is otherwise qualified and empowered to enter into this Escrow Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

WHEREAS, a condition to the issuance of the Bonds by the TWDB is the deposit of the proceeds of sale of the Bonds (less amounts to pay costs of issuance) (the "*Proceeds*") in escrow subject to being withdrawn only with the approval of the Executive Administrator of the TWDB or another designated representative; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer;

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in consideration of the amount to be paid by the Authority to the Escrow Agent, as set forth on Exhibit A, the receipt of which is hereby acknowledged, and in order to secure the delivery of the Bonds, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives and successors, as follows:

SECTION 1: ESCROW ACCOUNT. Upon the delivery of the Bonds described above, the Proceeds identified under TWDB Commitment No. L1001059 shall be deposited to the credit of a special escrow account(s) or escrow subaccount(s) (the "*Escrow Account*") maintained at the Bank on behalf of the Authority and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Authority, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.

The Escrow Account shall be entitled "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2020 (CITY OF SHERMAN PROJECT) TEXAS WATER DEVELOPMENT BOARD L1001059 ESCROW ACCOUNT" and shall not be subject to warrants, drafts or checks drawn by the Authority but shall be disbursed or withdrawn to pay the

costs of the project for which the Bonds were issued or other purposes in accordance with the Resolution and solely upon written authorization from the Executive Administrator, or his/her designated representative. The Bank shall distribute to the Authority and to the Executive Administrator's staff of the TWDB the Escrow Account's bank statements on a monthly basis.

SECTION 2: COLLATERAL. All cash deposited to the credit of such Escrow Account and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Chapter 2257, TEX. GOV'T CODE ANN., as amended.

SECTION 3: INVESTMENTS. While the Proceeds are held in escrow, the Bank shall only invest Proceeds in investments that are authorized by the Public Funds Investment Act, Chapter 2256, TEX. GOV'T CODE ANN., as amended. It is the Authority's responsibility to direct the Escrow Agent to invest all public funds in a manner that is consistent not only with the Public Funds Investment Act but also with its own written investment policy.

SECTION 4: DISBURSEMENTS. The Bank shall not honor any disbursement from the Escrow Account, or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator of the TWDB or another designated TWDB representative. However, no written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another provided that all such investments are consistent with the requirements of the Public Funds Investment Act.

SECTION 5: UNEXPENDED FUNDS. Any Proceeds remaining unexpended in the Escrow Account after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Resolution. The Authority shall deliver a copy of such approval of the final accounting by the TWDB to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Resolution, that being the sole obligation of the Authority

SECTION 6: CERTIFICATIONS. The Bank shall be authorized to accept and rely upon the certifications and documents furnished to the Bank by the Authority and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

SECTION 7: LIABILITY OF ESCROW AGENT. To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any proceedings in connection with the Bonds or any recitation contained in the Bonds.

SECTION 8: RECORDS. The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all proceeds thereof. The records shall be available for inspection at reasonable hours and under reasonable conditions by the Authority and the TWDB.

SECTION 9: MERGER/CONSOLIDATION. In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank as well as an FDIC-insured depository institution. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within a reasonable time of such merger, consolidation or exchange.

SECTION 10: AMENDMENTS. This Agreement may be amended from time to time as necessary with the written consent of the Authority and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Bank without its consent.

SECTION 11: TERMINATION. In the event that this Agreement is terminated by either the Authority or by the Bank, the Escrow Agent must report said termination in writing to the TWDB within 5 business days of such termination. The Authority is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the Authority and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the Authority must forward a copy of the executed escrow agreement with the successor escrow agent within 5 business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the Authority has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the Authority. Whether appointed by the Authority or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for performance under this Escrow Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

SECTION 12: EXPIRATION. This Agreement shall expire upon final transfer of the funds in the Escrow Account to the Authority.

SECTION 13: POINT OF CONTACT. The points of contact for the Escrow Agent and the TWDB are as follows:

BOKF NA
5956 Sherry Lane, Suite 1201
Dallas, Texas 75225
Attention: Biddel Tekeste

Jeff Walker
Executive Administrator
Texas Water Development Board
1700 North Congress Avenue
Austin, Texas 78701

SECTION 14: CHOICE OF LAW. This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

SECTION 15: ASSIGNABILITY. This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

SECTION 16: ENTIRE AGREEMENT. This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the Authority and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account. No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the Authority and consented to by the Escrow Agent and the TWDB.

SECTION 17: VALIDITY OF PROVISIONS. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 18: COMPENSATION FOR ESCROW SERVICES. The Escrow Agent shall be entitled to compensation for its services as stated in Exhibit A, which compensation shall be paid by the Authority but may not be paid directly from the Escrow Account; provided however, notwithstanding anything herein or in Exhibit A to the contrary, the aggregate value of this Agreement shall not exceed the dollar limitation set forth in Section 2271.002(a)(2) of the Texas Government Code, as amended.

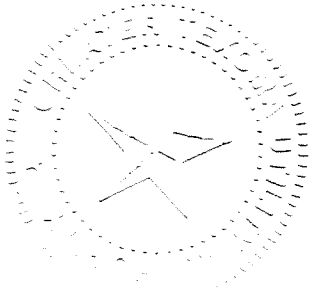
SECTION 19: IRAN, SUDAN AND FOREIGN TERRORISTS ORGANIZATIONS. The Escrow Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

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

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Escrow Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Escrow Agent understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Escrow Agent and exists to make a profit.

[remainder of page left blank intentionally]

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



(Authority Seal)

GREATER TEXOMA UTILITY AUTHORITY

By: [Signature]
President, Board of Directors

Address: 5100 Airport Drive
Denison, Texas 75020

[Signature]

Secretary, Board of Directors



(Bank Seal)

BOKF NA , Dallas, Texas, as Escrow Agent

By: [Signature]
Title: Biddel Tekeste
Vice President

Address: 5956 Sherry Lane, Suite 1201
Dallas, Texas 75225

ATTEST:

[Signature]
By: Tony Hongnoi
Title: Vice President

Exhibit A



Greater Texoma Utility Authority
Contract Revenue Bonds, Series 2020
(City of Sherman Project)

Texas Water Development Board
Escrow Account

Schedule of Fees

Acceptance Fee:

WAIVED

One Time Escrow Account Setup/Administration Fee:

\$850.00

For ordinary administrative services by Escrow Agent – includes daily routine account management; cash transaction processing (including wire and check processing); disbursement of funds in accordance with the agreement; and online access to trust account statements. This fee is payable in advance, due at the time of Escrow Agreement funding/execution.

Fee is based on the following assumptions:

- Number of Deposits to Escrow Account: One (1)
- Withdrawals from the Escrow Fund: Per Direction

Charges for performing extraordinary or other services not contemplated at the time of the execution of the transaction or not specifically covered **elsewhere** in this schedule will be determined by appraisal in the amounts commensurate with the service provided.

Services not included in this Fee Schedule, but deemed necessary or desirable by you, may be subject to additional charges based on a mutually agreed upon fee schedule.

Our proposal is subject in all aspects to review and acceptance of the final financing documents which sets forth our duties and responsibilities.

If funds are invested outside the BOK Financial Money Market Funds an additional fee may be assessed on an annual basis to act as custodian.

Erin Fitzpatrick
Vice President
Tel: 972.892.9972
efitzpatrick@bokf.com

BOK Financial
Corporate Trust Services
5956 Sherry Lane, Suite 1201
Dallas, TX 75225

EXHIBIT D

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 39 of this Resolution.

Annual Financial Statements and Operating Data

The financial information and operating data to be provided annually in accordance with such Section are the financial statements of the Authority and the financial statements of the City.

Accounting Principles

The accounting principles referred to in such Section are generally those described in the financial statements referenced above, as such principles may be changed from time to time to comply with state law or regulation.



GREATER TEXOMA UTILITY AUTHORITY

AGENDA COMMUNICATION

DATE: January 6, 2020

SUBJECT: AGENDA ITEM NO. XIII

CONSIDER ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS, SERIES 2020 (CITY OF SHERMAN PROJECT)", INCLUDING THE ADOPTION OF A RESOLUTION APPROVING THE ISSUANCE THEREOF AND THE FACILITIES TO BE CONSTRUCTED OR ACQUIRED BY THE AUTHORITY.

ISSUE

Consider and act upon City of Sherman Bond Resolution.

BACKGROUND

The City of Sherman staff approached the Authority staff, requesting financial assistance for several upcoming capital improvement projects. After several meetings with the City staff, we have identified the projects that we believe are ideal candidates to take advantage of the below market interest rate savings through the Texas Water Development Board's ("TWDB") Clean Water State Revolving Fund ("CWSRF"). Projects requested to be funded through the CWSRF include 1) Aeration Basin Upgrade, Phase II; 2) Biological Clarifier Rehabilitation; 3) WWTP Control Building Expansion; 4) Brine Line Project (engineering, bores, rights-of-way, construction); and 5) WWTP Storm water Lift Station. These improvements are all identified in the City of Sherman's 5-year Capital Improvements Plan that they develop annually.

At the May 2019 meeting, the Board authorized the submission of an application to the TWDB's CWSRF to fund these projects.

One requirement for utilizing the Clean Water State Revolving Funds is that the engineering services be solicited utilizing the Texas Water Development Board's Disadvantage Business Enterprise Program. The Authority staff solicited the engineering services on behalf of the City of Sherman, following the requirements of this Program. The City of Sherman selected Freeman Millican, Inc. for engineering services for Brine Water Disposal Project. The City of Sherman selected Perkins Engineering Consultants, Inc. for engineering services for Equalization Basin Rehabilitation Project.

CONSIDERATIONS

The Bond Resolution would authorize the issuance of \$13,595,000 through the TWDB's CWSRF program. The Authority was able to procure a special class of CWSRF funds called the Equivalency Funds, which offers below market interest rates. The interest rate received for this issuance was 0.29% for a 20-year term. The TWDB estimates that the City of Sherman could save approximately \$2.1 million over the life of the loan by using the CWSRF.

Kristen Savant, Bond Counsel with Norton Rose Fulbright, has prepared the resolution and documentation necessary for this bond issue. Ms. Savant will be present at the meeting to review the proposed resolution with the Board of Directors and answer any questions.

The City of Sherman is scheduled to consider an ordinance to confirm this bond resolution at their February 3, 2020 meeting.



GREATER TEXOMA UTILITY AUTHORITY AGENDA COMMUNICATION

PAGE 2

STAFF RECOMMENDATIONS

Staff recommends the Board approve the resolution regarding issuance of \$13,595,000 on behalf of the City of Sherman for the improvements to their wastewater system, contingent upon similar action being taken by the Sherman City Council at their February 3, 2020 Council meeting.

ATTACHED

The resolution will be available on the Authority website for review

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E., General Manager



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 2.

Meeting Date: 02/03/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6584

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Denison, Texas

Issue:

Consideration of an Interlocal Agreement with the City of Denison to provide law enforcement services to Zachry Construction under an agreement with the City of Sherman

Background:

Zachry Construction ("Zachry") has contracted with the Texas Department of Transportation for construction of Highway 75 improvements between Highway 1417 and Highway 91. Zachry has requested officer assistance with traffic control that is above the City's capacity to provide. The City of Denison has agreed to provide additional officers through the City of Sherman's agreement with Zachry. The City of Denison, and any other participating agencies, will submit time sheets to the City of Sherman, who will invoice Zachry on behalf of the City of Denison for the manpower used. Upon receipt of reimbursement from Zachry, the City of Sherman will distribute the payment to the agencies. This Interlocal Agreement permits the City of Sherman to enter into this arrangement with the City of Denison.

Origination:

Sherman Police Department

Financial Consideration:

The City of Denison will pay their own officers. The City of Sherman will be a pass-through for the payment due to the City of Denison from Zachry Construction. Therefore, the City of Sherman has no costs associated with this agreement.

Staff Recommendation:

Staff recommends that the City Council authorize execution of an Interlocal Agreement between the City of Sherman and the City of Denison.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6584

ILA with City of Denison

RESOLUTION NO. 6584

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF DENISON, 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 of Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with the City of Denison, Texas, for the City of Denison to provide officers for services under a contract between the City of Sherman and Zachry Construction, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

STATE OF TEXAS

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COUNTY OF GRAYSON

LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is entered into this third day of February, 2020 between the City of Sherman, a home rule municipality in Grayson County, Texas (“Sherman”) and the City of Denison, Texas (“Denison”). Together Sherman and Denison shall be referred to as the “parties”.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Act”), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

WHEREAS, Sherman and Denison have the authority to enter into this Agreement under the Interlocal Cooperation Act (Chapter 791 of the Texas Government Code); and

WHEREAS, it is mutually beneficial for the parties to enter into an agreement which establishes the duties, assignment, responsibilities and obligations of Sherman and Denison.

NOW, THEREFORE, for and in consideration of the payments and mutual covenants contained herein, and for other good and valuable considerations, the parties agree as follows:

TERMS AND CONDITIONS

I. CITY OF DENISON RESPONSIBILITY

Denison will provide Law Enforcement Officers upon request of the City of Sherman for traffic control and related duties to Zachry Construction during, and for Highway 75 construction, as described in the contract between the City and Zachry Construction. Denison does not have an obligation to provide all officers requested by the City. Denison will provide the City with the names, dates, and work duty start and end times by the tenth of each month for the previous month.

Any Denison officer that desires to perform the duties described in this agreement will be required to sign up through the City of Sherman’s off duty management platform, RollKall. RollKall will be the scheduling platform that the City of Sherman uses to determine availability of needs from the City of Sherman and Zachry.

II. CITY OF SHERMAN RESPONSIBILITY

Sherman will invoice Zachry Construction for the hours submitted each month on behalf of Denison. After receiving payment from Zachry Construction, the Sherman will remit the Denison’s portion within two weeks.

The amount invoiced for a law enforcement vehicle provided by the City of Denison will be the current per hour FEMA rate for Cost Code 8073 – Automobile, Police, Stationary with engine running. This rate is \$16.05 as of the date of this contract and will be updated with subsequent FEMA rate changes. The amount invoiced for a Law Enforcement Officer will be \$60.00 per hour

initially, indexed to the increase in compensation for City of Sherman Law Enforcement Officers occurring annually on October 1st.

III. TIME PERIOD

The term of this Agreement shall commence immediately and will automatically renew from year to year, unless earlier terminated as provided herein.

IV. TERMINATION

The Agreement will terminate when the contract between Zachry Construction and the City terminates.

Should either party (Sherman or Denison) decide to stop participating in the program at any time, with or without cause, a thirty (30) day notice will be provided to the other party.

No termination will relieve the obligation of the City of Sherman of any amounts due and payable for services performed hereunder prior to termination. This Agreement may be terminated by any party upon no less than thirty (30) days written notice to the other party should the other party fail substantially to perform in accordance with the terms of this Agreement.

V. MUTUAL HOLD HARMLESS

To the extent allowed by law, the City of Denison does hereby agree to waive all claims against, release, and hold harmless Sherman and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

To the extent allowed by law, Sherman does hereby agree to waive all claims against, release and hold harmless Denison and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

It is the intention of both parties that this mutual hold harmless clause shall be interpreted to mean each party shall be responsible for the actions of each party's own employees, officials, officers, and agents. The parties hereby agree that they have not waived their sovereign and/or governmental immunity by entering into and performing its obligations under this agreement. No joint enterprise is created and no third-party beneficiaries are intended or created.

VI. MISCELLANEOUS

A. Denison shall be wholly responsible for the manner in which it determines which officer is assigned to the duties under this agreement and the way Denison performs the services required by the terms of this Agreement. Nothing herein shall be construed as creating the relationship of employer and employee, or principal and agent, between Denison and Sherman or any of Sherman's agents or employees, or between Sherman and members of the City of Denison's Police Department. Denison assumes exclusive responsibility for the acts of its employees as they

relate to the services provided during the course and scope of their employment. Denison, its agents and employees, including those performing services under the contract with Zachry Construction and this agreement, shall not be entitled to any rights or privileges of City employees and shall not be considered in any manner to be a Sherman employee.

- B. Insurance: Denison shall maintain, during the term of this Agreement, workers' compensation insurance, general liability coverage, and auto liability coverage for its employees engaged in work under this Agreement.
- C. Waiver of Subrogation: Sherman and Denison each waives any and all rights of recovery against the other, and the employees, agents and representatives of the other, for loss of or damage to property or injury to person to the extent such damage or injury is covered by proceeds received under any insurance policy carried by Sherman or Denison and in force at the time of such loss or damage.
- D. Assignment: Neither party shall assign, transfer, or subcontract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement. This Agreement inures to the benefit of and obligates only the parties executing this Agreement. No term or provision of this Agreement is intended to benefit any benefit.
- E. Waiver: No waiver of a breach or any provision of the Agreement by either party shall constitute a waiver of any subsequent breach of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waive thereof.
- F. Choice of Law and Venue: All obligations of each party shall be performed in Grayson County, Texas. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement and the exclusive venue for any legal proceedings involving this Agreement shall be Grayson County, Texas.
- G. Notices: Notices to Denison shall be deemed given when delivered in person to the City Manager or on the next business day after the mailing of said notice addressed to Denison by United States mail, certified or registered mail, return receipt requested, to 300 West Main Street, Denison, TX 75021.

Notices to City shall be deemed given when delivered in person to the City Manager or on the next business day after mailing of said notice addressed to said City by United States mail, certified or registered mail, return receipt requested, to 220 W Mulberry St, Sherman, TX, 75090.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

- H. Legal Construction, Entire Agreement: If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. This Agreement is the entire agreement between Denison and Sherman as to the subject matter thereof, and is the sole and

only agreement of the parties and supersedes any prior understanding or written or oral agreement relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both parties.

Robby Hefton, City Manager
City of Sherman

Date

Judson Rex, City Manager
City of Denison

Date



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 3.

Meeting Date: 02/03/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6585

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Howe, Texas

Issue:

Consideration of an Interlocal Agreement with the City of Howe to provide law enforcement services to Zachry Construction under an agreement with the City of Sherman

Background:

Zachry Construction ("Zachry") has contracted with the Texas Department of Transportation for construction of Highway 75 improvements between Highway 1417 and Highway 91. Zachry has requested officer assistance with traffic control that is above the City's capacity to provide. The City of Howe has agreed to provide additional officers through the City of Sherman's agreement with Zachry. The City of Howe, and any other participating agencies, will submit time sheets to the City of Sherman, who will invoice Zachry on behalf of the City of Howe for the manpower used. Upon receipt of reimbursement from Zachry, the City of Sherman will distribute the payment to the agencies. This Interlocal Agreement permits the City of Sherman to enter into this arrangement with the City of Howe.

Origination:

Sherman Police Department

Financial Consideration:

The City of Howe will pay their own officers. The City of Sherman will be a pass-through for the payment due to the City of Howe from Zachry Construction. Therefore, the City of Sherman has no costs associated with this agreement.

Staff Recommendation:

Staff recommends that the City Council authorize execution of an Interlocal Agreement between the City of Sherman and the City of Howe.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6585

ILA with City of Howe

RESOLUTION NO. 6585

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF HOWE, 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 of Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with the City of Howe, Texas, for the City of Howe to provide officers for services under a contract between the City of Sherman and Zachry Construction, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

STATE OF TEXAS

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COUNTY OF GRAYSON

LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is entered into this third day of February, 2020 between the City of Sherman, a home rule municipality in Grayson County, Texas (“Sherman”) and the Howe, Texas (“Howe”). Together Sherman and Howe shall be referred to as the “parties”.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Act”), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

WHEREAS, Sherman and Howe have the authority to enter into this Agreement under the Interlocal Cooperation Act (Chapter 791 of the Texas Government Code); and

WHEREAS, it is mutually beneficial for the parties to enter into an agreement which establishes the duties, assignment, responsibilities and obligations of Sherman and Howe.

NOW, THEREFORE, for and in consideration of the payments and mutual covenants contained herein, and for other good and valuable considerations, the parties agree as follows:

TERMS AND CONDITIONS

I. HOWE RESPONSIBILITY

Howe will provide Law Enforcement Officers upon request of the City of Sherman for traffic control and related duties to Zachry Construction during, and for Highway 75 construction, as described in the contract between the City and Zachry Construction. Howe does not have an obligation to provide all officers requested by the City. Howe will provide the City with the names, dates, and work duty start and end times by the tenth of each month for the previous month.

Any officer that desires to perform the duties described in this agreement will be required to sign up through the City of Sherman’s off duty management platform, RollKall. RollKall will be the scheduling platform that the City of Sherman uses to determine availability of needs from the City of Sherman and Zachry.

II. CITY OF SHERMAN RESPONSIBILITY

Sherman will invoice Zachry Construction for the hours submitted each month on behalf of Howe. After receiving payment from Zachry Construction, the Sherman will remit the Howe’s portion within two weeks.

The amount invoiced for a law enforcement vehicle provided by the Howe will be the current per hour FEMA rate for Cost Code 8073 – Automobile, Police, Stationary with engine running. This rate is \$16.05 as of the date of this contract and will be updated with subsequent FEMA rate changes. The amount invoiced for a Law Enforcement Officer will be \$60.00 per hour initially, indexed to the

increase in compensation for City of Sherman Law Enforcement Officers occurring annually on October 1st.

III. TIME PERIOD

The term of this Agreement shall commence immediately and will automatically renew from year to year, unless earlier terminated as provided herein.

IV. TERMINATION

The Agreement will terminate when the contract between Zachry Construction and the City terminates.

Should either party (Sherman or Howe) decide to stop participating in the program at any time, with or without cause, a thirty (30) day notice will be provided to the other party.

No termination will relieve the obligation of the City of Sherman of any amounts due and payable for services performed hereunder prior to termination. This Agreement may be terminated by any party upon no less than thirty (30) days written notice to the other party should the other party fail substantially to perform in accordance with the terms of this Agreement.

V. MUTUAL HOLD HARMLESS

To the extent allowed by law, Howe does hereby agree to waive all claims against, release, and hold harmless Sherman and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

To the extent allowed by law, Sherman does hereby agree to waive all claims against, release and hold harmless Howe and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

It is the intention of both parties that this mutual hold harmless clause shall be interpreted to mean each party shall be responsible for the actions of each party's own employees, officials, officers, and agents. The parties hereby agree that they have not waived their sovereign and/or governmental immunity by entering into and performing its obligations under this agreement. No joint enterprise is created and no third-party beneficiaries are intended or created.

VI. MISCELLANEOUS

- A. Howe shall be wholly responsible for the manner in which it determines which officer is assigned to the duties under this agreement and the way Howe performs the services required by the terms of this Agreement. Nothing herein shall be construed as creating the relationship of employer and employee, or principal and agent, between Howe and Sherman or any of Sherman's agents or employees, or between Sherman and members of the Howe's Police Department. Howe assumes exclusive responsibility for the acts of its employees as they relate to the services provided during

the course and scope of their employment. Howe, its agents and employees, including those performing services under the contract with Zachry Construction and this agreement, shall not be entitled to any rights or privileges of City employees and shall not be considered in any manner to be a Sherman employee.

- B. Insurance: Howe shall maintain, during the term of this Agreement, workers' compensation insurance, general liability coverage, and auto liability coverage for its employees engaged in work under this Agreement.
- C. Waiver of Subrogation: Sherman and Howe each waives any and all rights of recovery against the other, and the employees, agents and representatives of the other, for loss of or damage to property or injury to person to the extent such damage or injury is covered by proceeds received under any insurance policy carried by Sherman or Howe and in force at the time of such loss or damage.
- D. Assignment: Neither party shall assign, transfer, or subcontract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement. This Agreement inures to the benefit of and obligates only the parties executing this Agreement. No term or provision of this Agreement is intended to benefit any benefit.
- E. Waiver: No waiver of a breach or any provision of the Agreement by either party shall constitute a waiver of any subsequent breach of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waive thereof.
- F. Choice of Law and Venue: All obligations of each party shall be performed in Grayson County, Texas. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement and the exclusive venue for any legal proceedings involving this Agreement shall be Grayson County, Texas.
- G. Notices: Notices to Howe shall be deemed given when delivered in person to the City Manager or on the next business day after the mailing of said notice addressed to Howe by United States mail, certified or registered mail, return receipt requested, to 116 E. Haning St. Howe, TX 75495.

Notices to City shall be deemed given when delivered in person to the City Manager or on the next business day after mailing of said notice addressed to said City by United States mail, certified or registered mail, return receipt requested, to 220 W Mulberry St, Sherman, TX, 75090.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

- H. Legal Construction, Entire Agreement: If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. This Agreement is the entire agreement between Howe and Sherman as to the subject matter thereof, and is the sole and only agreement of the parties and supersedes any prior understanding or written or oral agreement

relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both parties.

Robby Hefton, City Manager
City of Sherman

Date

Date



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 4.

Meeting Date: 02/03/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6586

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Van Alstyne, Texas

Issue:

Consideration of an Interlocal Agreement with the City of Van Alstyne to provide Law Enforcement services to Zachry Construction under an agreement with the City of Sherman

Background:

Zachry Construction ("Zachry") has contracted with the Texas Department of Transportation for construction of Highway 75 improvements between Highway 1417 and Highway 91. Zachry has requested officer assistance with traffic control that is above the City's capacity to provide. The City of Van Alstyne has agreed to provide additional officers through the City of Sherman's agreement with Zachry. The City of Van Alstyne, and any other participating agencies, will submit time sheets to the City of Sherman, who will invoice Zachry on behalf of the City of Van Alstyne for the manpower used. Upon receipt of reimbursement from Zachry, the City of Sherman will distribute the payment to the agencies. This Interlocal Agreement permits the City of Sherman to enter into this arrangement with the City of Alstyne.

Origination:

Sherman Police Department

Financial Consideration:

The City of Van Alstyne will pay their own officers. The City of Sherman will be a pass-through for the payment due to the City of Van Alstyne from Zachry Construction. Therefore, the City of Sherman has no costs associated with this agreement.

Staff Recommendation:

Staff recommends that the City Council authorize execution of an Interlocal Agreement between the City of Sherman and the City of Van Alstyne.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6586

ILA with City of Van Alstyne

RESOLUTION NO. 6586

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF VAN ALSTYNE, 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 of Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with the City of Van Alstyne, Texas, for the City of Van Alstyne to provide officers for services under a contract between the City of Sherman and Zachry Construction, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

STATE OF TEXAS

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COUNTY OF GRAYSON

LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is entered into this third day of February, 2020 between the City of Sherman, a home rule municipality in Grayson County, Texas (“Sherman”) and the Van Alstyne, Texas (“Van Alstyne”). Together Sherman and Van Alstyne shall be referred to as the “parties”.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Act”), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

WHEREAS, Sherman and Van Alstyne have the authority to enter into this Agreement under the Interlocal Cooperation Act (Chapter 791 of the Texas Government Code); and

WHEREAS, it is mutually beneficial for the parties to enter into an agreement which establishes the duties, assignment, responsibilities and obligations of Sherman and Van Alstyne.

NOW, THEREFORE, for and in consideration of the payments and mutual covenants contained herein, and for other good and valuable considerations, the parties agree as follows:

TERMS AND CONDITIONS

I. VAN ALYSTNE RESPONSIBILITY

Van Alstyne will provide Law Enforcement Officers upon request of the City of Sherman for traffic control and related duties to Zachry Construction during, and for Highway 75 construction, as described in the contract between the City and Zachry Construction. Van Alstyne does not have an obligation to provide all officers requested by the City. Van Alstyne will provide the City with the names, dates, and work duty start and end times by the tenth of each month for the previous month.

Any officer that desires to perform the duties described in this agreement will be required to sign up through the City of Sherman’s off duty management platform, RollKall. RollKall will be the scheduling platform that the City of Sherman uses to determine availability of needs from the City of Sherman and Zachry.

II. CITY OF SHERMAN RESPONSIBILITY

Sherman will invoice Zachry Construction for the hours submitted each month on behalf of Van Alstyne. After receiving payment from Zachry Construction, the Sherman will remit the Van Alstyne’s portion within two weeks.

The amount invoiced for a law enforcement vehicle provided by the Van Alstyne will be the current per hour FEMA rate for Cost Code 8073 – Automobile, Police, Stationary with engine running. This rate is \$16.05 as of the date of this contract and will be updated with subsequent FEMA rate changes. The amount invoiced for a Law Enforcement Officer will be \$60.00 per hour initially, indexed to the

increase in compensation for City of Sherman Law Enforcement Officers occurring annually on October 1st.

III. TIME PERIOD

The term of this Agreement shall commence immediately and will automatically renew from year to year, unless earlier terminated as provided herein.

IV. TERMINATION

The Agreement will terminate when the contract between Zachry Construction and the City terminates.

Should either party (Sherman or Van Alstyne) decide to stop participating in the program at any time, with or without cause, a thirty (30) day notice will be provided to the other party.

No termination will relieve the obligation of the City of Sherman of any amounts due and payable for services performed hereunder prior to termination. This Agreement may be terminated by any party upon no less than thirty (30) days written notice to the other party should the other party fail substantially to perform in accordance with the terms of this Agreement.

V. MUTUAL HOLD HARMLESS

To the extent allowed by law, Van Alstyne does hereby agree to waive all claims against, release, and hold harmless Sherman and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

To the extent allowed by law, Sherman does hereby agree to waive all claims against, release and hold harmless Van Alstyne and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

It is the intention of both parties that this mutual hold harmless clause shall be interpreted to mean each party shall be responsible for the actions of each party's own employees, officials, officers, and agents. The parties hereby agree that they have not waived their sovereign and/or governmental immunity by entering into and performing its obligations under this agreement. No joint enterprise is created and no third-party beneficiaries are intended or created.

VI. MISCELLANEOUS

A. Van Alstyne shall be wholly responsible for the manner in which it determines which officer is assigned to the duties under this agreement and the way Van Alstyne performs the services required by the terms of this Agreement. Nothing herein shall be construed as creating the relationship of employer and employee, or principal and agent, between Van Alstyne and Sherman or any of Sherman's agents or employees, or between Sherman and members of the Van Alstyne's Police Department. Van Alstyne assumes exclusive responsibility for the acts of its

employees as they relate to the services provided during the course and scope of their employment. Van Alstyne, its agents and employees, including those performing services under the contract with Zachry Construction and this agreement, shall not be entitled to any rights or privileges of City employees and shall not be considered in any manner to be a Sherman employee.

- B. Insurance: Van Alstyne shall maintain, during the term of this Agreement, workers' compensation insurance, general liability coverage, and auto liability coverage for its employees engaged in work under this Agreement.
- C. Waiver of Subrogation: Sherman and Van Alstyne each waives any and all rights of recovery against the other, and the employees, agents and representatives of the other, for loss of or damage to property or injury to person to the extent such damage or injury is covered by proceeds received under any insurance policy carried by Sherman or Van Alstyne and in force at the time of such loss or damage.
- D. Assignment: Neither party shall assign, transfer, or subcontract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement. This Agreement inures to the benefit of and obligates only the parties executing this Agreement. No term or provision of this Agreement is intended to benefit any benefit.
- E. Waiver: No waiver of a breach or any provision of the Agreement by either party shall constitute a waiver of any subsequent breach of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waive thereof.
- F. Choice of Law and Venue: All obligations of each party shall be performed in Grayson County, Texas. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement and the exclusive venue for any legal proceedings involving this Agreement shall be Grayson County, Texas.
- G. Notices: Notices to Van Alstyne shall be deemed given when delivered in person to the City Manager or on the next business day after the mailing of said notice addressed to Van Alstyne by United States mail, certified or registered mail, return receipt requested, to 152 N. Main Drive, Van Alstyne, TX 75495.

Notices to City shall be deemed given when delivered in person to the City Manager or on the next business day after mailing of said notice addressed to said City by United States mail, certified or registered mail, return receipt requested, to 220 W Mulberry St, Sherman, TX, 75090.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

- H. Legal Construction, Entire Agreement: If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. This Agreement is the entire

agreement between Van Alstyne and Sherman as to the subject matter thereof, and is the sole and only agreement of the parties and supersedes any prior understanding or written or oral agreement relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both parties.

Robby Hefton, City Manager
City of Sherman

Date

Date



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 5.

Meeting Date: 02/03/2020

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6587

Authorizing Execution of a Law Enforcement Officer Interlocal Agreement between the City of Sherman, Texas, and the City of Pottsboro, Texas

Issue:

Consideration of an Interlocal Agreement with the City of Pottsboro to provide law enforcement services to Zachry Construction under an agreement with the City of Sherman

Background:

Zachry Construction ("Zachry") has contracted with the Texas Department of Transportation for construction of Highway 75 improvements between Highway 1417 and Highway 91. Zachry has requested officer assistance with traffic control that is above the City's capacity to provide. The City of Pottsboro has agreed to provide additional officers through the City of Sherman's agreement with Zachry. The City of Pottsboro, and any other participating agencies, will submit time sheets to the City of Sherman, who will invoice Zachry on behalf of the City of Pottsboro for the manpower used. Upon receipt of reimbursement from Zachry, the City will distribute the payment to the agencies. This Interlocal Agreement permits the City of Sherman to enter into this arrangement with the City of Pottsboro.

Origination:

Sherman Police Department

Financial Consideration:

The City of Pottsboro will pay their own officers. The City of Sherman will be a pass-through for the payment due to the City of Pottsboro from Zachry Construction. Therefore, the City of Sherman has no costs associated with this agreement.

Staff Recommendation:

Staff recommends that the City Council authorize execution of an Interlocal Agreement between the City of Sherman and the City of Pottsboro.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6587

ILA with City of Pottsboro

RESOLUTION NO. 6587

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, TEXAS, AND THE CITY OF POTTSBORO, 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 of Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute an Interlocal Agreement with the City of Pottsboro, Texas, for the City of Pottsboro to provide officers for services under a contract between the City of Sherman and Zachry Construction, in accordance with the terms and provisions of all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

STATE OF TEXAS

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COUNTY OF GRAYSON

LAW ENFORCEMENT OFFICER INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is entered into this third day of February, 2020 between the City of Sherman, a home rule municipality in Grayson County, Texas (“Sherman”) and the Pottsboro, Texas (“Pottsboro”). Together Sherman and Pottsboro shall be referred to as the “parties”.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Act”), provides the authority to political subdivisions for contracts by and between each other to facilitate the governmental functions and services of said political subdivisions under the terms of the Act, and

WHEREAS, Sherman and Pottsboro have the authority to enter into this Agreement under the Interlocal Cooperation Act (Chapter 791 of the Texas Government Code); and

WHEREAS, it is mutually beneficial for the parties to enter into an agreement which establishes the duties, assignment, responsibilities and obligations of Sherman and Pottsboro.

NOW, THEREFORE, for and in consideration of the payments and mutual covenants contained herein, and for other good and valuable considerations, the parties agree as follows:

TERMS AND CONDITIONS

I. POTTSBORO RESPONSIBILITY

Pottsboro will provide Law Enforcement Officers upon request of the City of Sherman for traffic control and related duties to Zachry Construction during, and for Highway 75 construction, as described in the contract between the City and Zachry Construction. Pottsboro does not have an obligation to provide all officers requested by the City. Pottsboro will provide the City with the names, dates, and work duty start and end times by the tenth of each month for the previous month.

Any officer that desires to perform the duties described in this agreement will be required to sign up through the City of Sherman’s off duty management platform, RollKall. RollKall will be the scheduling platform that the City of Sherman uses to determine availability of needs from the City of Sherman and Zachry.

II. CITY OF SHERMAN RESPONSIBILITY

Sherman will invoice Zachry Construction for the hours submitted each month on behalf of Pottsboro. After receiving payment from Zachry Construction, the Sherman will remit the Pottsboro’s portion within two weeks.

The amount invoiced for a law enforcement vehicle provided by the Pottsboro will be the current per hour FEMA rate for Cost Code 8073 – Automobile, Police, Stationary with engine running. This rate is \$16.05 as of the date of this contract and will be updated with subsequent FEMA rate changes. The amount invoiced for a Law Enforcement Officer will be \$60.00 per hour initially, indexed to the

increase in compensation for City of Sherman Law Enforcement Officers occurring annually on October 1st.

III. TIME PERIOD

The term of this Agreement shall commence immediately and will automatically renew from year to year, unless earlier terminated as provided herein.

IV. TERMINATION

The Agreement will terminate when the contract between Zachry Construction and the City terminates.

Should either party (Sherman or Pottsboro) decide to stop participating in the program at any time, with or without cause, a thirty (30) day notice will be provided to the other party.

No termination will relieve the obligation of the City of Sherman of any amounts due and payable for services performed hereunder prior to termination. This Agreement may be terminated by any party upon no less than thirty (30) days written notice to the other party should the other party fail substantially to perform in accordance with the terms of this Agreement.

V. MUTUAL HOLD HARMLESS

To the extent allowed by law, Pottsboro does hereby agree to waive all claims against, release, and hold harmless Sherman and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

To the extent allowed by law, Sherman does hereby agree to waive all claims against, release and hold harmless Pottsboro and all of its officials, officers, agents, employees, in both their public and private capacities, from any and all liability, claims, suits, demands, losses, damages, attorneys' fees, including all expenses of litigation or settlement, or causes of action which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property arising out of or in connection with this Agreement.

It is the intention of both parties that this mutual hold harmless clause shall be interpreted to mean each party shall be responsible for the actions of each party's own employees, officials, officers, and agents. The parties hereby agree that they have not waived their sovereign and/or governmental immunity by entering into and performing its obligations under this agreement. No joint enterprise is created and no third-party beneficiaries are intended or created.

VI. MISCELLANEOUS

A. Pottsboro shall be wholly responsible for the manner in which it determines which officer is assigned to the duties under this agreement and the way Pottsboro performs the services required by the terms of this Agreement. Nothing herein shall be construed as creating the relationship of employer and employee, or principal and agent, between Pottsboro and Sherman or any of Sherman's agents or employees, or between Sherman and members of the Pottsboro's Police Department. Pottsboro assumes exclusive responsibility for the acts of its employees as they

relate to the services provided during the course and scope of their employment. Pottsboro, its agents and employees, including those performing services under the contract with Zachry Construction and this agreement, shall not be entitled to any rights or privileges of City employees and shall not be considered in any manner to be a Sherman employee.

- B. Insurance: Pottsboro shall maintain, during the term of this Agreement, workers' compensation insurance, general liability coverage, and auto liability coverage for its employees engaged in work under this Agreement.
- C. Waiver of Subrogation: Sherman and Pottsboro each waives any and all rights of recovery against the other, and the employees, agents and representatives of the other, for loss of or damage to property or injury to person to the extent such damage or injury is covered by proceeds received under any insurance policy carried by Sherman or Pottsboro and in force at the time of such loss or damage.
- D. Assignment: Neither party shall assign, transfer, or subcontract any of its rights, burdens, duties or obligations under this Agreement without the prior written permission of the other party to this Agreement. This Agreement inures to the benefit of and obligates only the parties executing this Agreement. No term or provision of this Agreement is intended to benefit any benefit.
- E. Waiver: No waiver of a breach or any provision of the Agreement by either party shall constitute a waiver of any subsequent breach of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waive thereof.
- F. Choice of Law and Venue: All obligations of each party shall be performed in Grayson County, Texas. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this Agreement and the exclusive venue for any legal proceedings involving this Agreement shall be Grayson County, Texas.
- G. Notices: Notices to Pottsboro shall be deemed given when delivered in person to the City Manager or on the next business day after the mailing of said notice addressed to Pottsboro by United States mail, certified or registered mail, return receipt requested, to 528 Hwy 120 E., Pottsboro, TX 75495.

Notices to City shall be deemed given when delivered in person to the City Manager or on the next business day after mailing of said notice addressed to said City by United States mail, certified or registered mail, return receipt requested, to 220 W Mulberry St, Sherman, TX, 75090.

The place for mailing notices for a party may be changed only upon written notice given to the other in the manner herein prescribed for notices sent to the last effective place of mailing for the notifying party.

- H. Legal Construction, Entire Agreement: If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, (1) such provision shall be fully severable, (2) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and (3) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. This Agreement is the entire agreement between Pottsboro and Sherman as to the subject matter thereof, and is the sole and

only agreement of the parties and supersedes any prior understanding or written or oral agreement relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both parties.

Robby Hefton, City Manager
City of Sherman

Date

Date



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 6.

Meeting Date: 02/03/2020

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6588

Awarding a Bid to and Authorizing Execution of a Contract with Lynn Vessels Construction, LLC based on an Invitation to Bid for Construction of the Moore Street from West Travis Street to Park Avenue Project

Issue:

To consider awarding a bid to and authorizing execution of a contract with Lynn Vessels Construction, LLC of Sherman, Texas, based on an invitation to bid, for construction of the Moore Street from West Travis Street to Park Avenue Project

Background:

Moore Street is on the Grayson County Thoroughfare Plan. As future developments are planned around the new high school and along the Sherman Crossroads area, it is necessary to construct the section of Moore Street, between West Travis Street and Park Street, to improve pedestrian and vehicular traffic and safety.

This project includes construction of a two-lane, median-divided section that will connect the existing West Travis Street to Park Avenue. Future phases will include an additional two-lane roadway on the east side of this project.

Three (3) bidders responded to the request for bids. The low bid in the amount of \$1,334,849.37 was submitted by Lynn Vessels Construction, LLC of Sherman, Texas. A bid tabulation is attached.

Origination:

Engineering Department

Financial Consideration:

The total cost of the project is \$1,334,849.37 and is funded through the current year Capital Improvement Program. The Engineers' estimate for this project was about \$2.0 million.

Staff Recommendation:

It is recommended that the bid be awarded for construction of the Moore Street from West Travis Street to Park Avenue Project to Lynn Vessels Construction, LLC in the amount of \$1,334,849.37. It is also recommended that the City Manager be authorized to execute the required contract documents.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6588

Contract Agreement

Bid Tabulation

Aerial Location Map

RESOLUTION NO. 6588

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH LYNN VESSELS CONSTRUCTION, LLC BASED ON AN INVITATION TO BID FOR CONSTRUCTION OF THE MOORE STREET FROM WEST TRAVIS STREET TO PARK AVENUE PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That Lynn Vessels Construction, LLC of Sherman, Texas, is hereby awarded the bid and the City of Sherman hereby approves the contract with Lynn Vessels Construction, LLC in the amount of One Million Three Hundred Thirty-Four Thousand Eight Hundred Forty-Nine Dollars and Thirty-Seven Cents (\$1,334,849.37) for construction of the Moore Street from West Travis Street to Park Avenue Project; and that the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a contract with Lynn Vessels Construction, LLC for construction of the aforementioned improvements, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the _____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

CONTRACT AGREEMENT

STATE OF TEXAS

COUNTY OF GRAYSON

THIS AGREEMENT is made and entered into this 3rd day of February 2020, by and between the City of Sherman, of the County of Grayson and State of Texas, acting through its City Manager, thereunto duly authorized so to do, Party of the First Part, hereinafter termed the OWNER, and Lynn Vessels Construction, LLC of the City of Sherman, County of Grayson, State of Texas, Party of the Second Part, hereinafter termed CONTRACTOR.

WITNESSETH: That for and in consideration of the payment and agreement hereinafter mentioned, to be made and performed by the OWNER, the said CONTRACTOR hereby agrees with the said OWNER to commence and complete construction of certain improvements as follows:

Moore Street from W. Travis St. to Park Ave.

and all extra work in connection therewith, under the terms as stated in the General and Specific Conditions of the AGREEMENT; and at his own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance and other accessories and services necessary to complete the said construction, in accordance with the conditions and prices stated in the Proposal attached hereto and in accordance with the Advertisement for Bids, Instructions to Bidders, General Provisions, Special Provisions, Plans, and other drawings and printed or written explanatory matter thereof, and the Technical Specifications and Addenda thereto, as prepared by the OWNER, each of which has been identified by the endorsement of the CONTRACTOR and the OWNER thereon, together with the CONTRACTOR's written Proposal and the General Provisions, all of which are made a part hereof and collectively evidence and constitute the entire AGREEMENT.

Notice to Proceed

The CONTRACTOR hereby agrees to commence work within ten (10) calendar days after the date of written notice to do so shall have been given to him, to complete the work within One Hundred Fifty (**150**) calendar days, after he commences work, subject to such extensions of time as are provided by the General Provisions.

The OWNER agrees to pay the CONTRACTOR One Million, Three Hundred Thirty-Four Thousand, Eight Hundred Forty-Nine Dollars and Thirty-Seven Cents (**\$1,334,849.37**) in current funds for the performance of the Contract in accordance with the Proposal submitted thereof, subject to additions and deductions, as provided in the General Provisions, and to make payments of account thereof as provided therein.

IN WITNESS WHEREOF, the parties of these presents have executed this AGREEMENT in the year and day first above written.

CITY OF SHERMAN, TEXAS (OWNER)

ATTEST:

By: _____ By: _____
Robby Hefton, City Manager Linda Ashby, City Clerk

By: _____ By: _____
(CONTRACTOR) ATTEST:

The following to be executed if the CONTRACTOR is a corporation:

I, _____ certify that I am the secretary of the corporation named as CONTRACTOR herein; that _____, who signed this Contract on behalf of the CONTRACTOR is the _____ (official title) of said corporation; that said Contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Signed: _____

Corporate Seal

Bid Tabulation**Project:** Moore Street from W. Travis St. to Park Ave.**Owner:** City of Sherman**Number:** 2020-07**Public Works Project # 3069****Date:** 1/23/2020

				Lynn Vessels		Reliable		Ed Bell	
				Construction, LLC		Paving, Inc.		Construction Company	
Item	Description	Estimated Quantity		Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Site Preparation/Mobilization	1	LS	\$58,364.50	\$58,364.50	\$65,266.86	\$65,266.86	\$150,000.00	\$150,000.00
2	Field Control (Construction Staking)	1	LS	\$26,781.00	\$26,781.00	\$10,350.00	\$10,350.00	\$20,000.00	\$20,000.00
3	Barricading and Traffic Control	1	LS	\$9,040.00	\$9,040.00	\$4,243.50	\$4,243.50	\$15,000.00	\$15,000.00
4	SWPPP and Erosion Control	1	LS	\$11,220.34	\$11,220.34	\$27,112.40	\$27,112.40	\$30,000.00	\$30,000.00
5	Unclassified Excavation (Not Including Roadside Swale)	2,575	CY	\$7.46	\$19,209.50	\$5.18	\$13,338.50	\$20.00	\$51,500.00
6	Remove Existing Pavement	7,950	SY	\$2.71	\$21,544.50	\$4.15	\$32,992.50	\$5.00	\$39,750.00
7	6" Lime Stabilized Subgrade	12,400	SY	\$2.37	\$29,388.00	\$2.91	\$36,084.00	\$5.00	\$62,000.00
8	Hydrated Lime (36 lbs/SY)	223	TN	\$194.36	\$43,342.28	\$202.11	\$45,070.53	\$200.00	\$44,600.00
9	8" 4,000 PSI Reinforced Concrete Pavement	10466	SY	\$57.01	\$596,666.66	\$52.85	\$553,128.10	\$66.00	\$690,756.00
10	5" 3,000 PSI Reinforced Concrete Sidewalk	1980	SF	\$6.25	\$12,375.00	\$5.14	\$10,177.20	\$4.00	\$7,920.00
11	4" 3,000 PSI Reinforced Concrete Sidewalk	14,241	SF	\$5.77	\$82,170.57	\$5.59	\$79,607.19	\$3.00	\$42,723.00
12	H.M.A.C Pavement Transition	755	SY	\$39.27	\$29,648.85	\$44.42	\$33,537.10	\$55.00	\$41,525.00
13	Gravel Driveway Transition	105	SY	\$9.04	\$949.20	\$18.51	\$1,943.55	\$20.00	\$2,100.00
14	Concrete Sidewalk Wall	940	SFF	\$20.54	\$19,307.60	\$31.08	\$29,215.20	\$50.00	\$47,000.00
15	Freestanding Retaining Wall - Max. 4'-0" Height	180	SFF	\$61.34	\$11,041.20	\$101.06	\$18,190.80	\$120.00	\$21,600.00
16	Pedestrian Rail	685	LF	\$92.66	\$63,472.10	\$152.95	\$104,770.75	\$150.00	\$102,750.00
17	Curb Ramp	10	EA	\$1,426.06	\$14,260.60	\$1,666.09	\$16,660.90	\$1,800.00	\$18,000.00
18	Pavement Markings and Signage	1	LS	\$13,560.00	\$13,560.00	\$11,059.55	\$11,059.55	\$12,000.00	\$12,000.00
19	Barbed Wire Fence	4,690	LF	\$6.22	\$29,171.80	\$5.81	\$27,248.90	\$5.25	\$24,622.50
20	Trench Safety	1,834	LF	\$0.57	\$1,045.38	\$1.15	\$2,109.10	\$1.00	\$1,834.00
21	36" RCP Storm Drain Pipe	263	LF	\$117.15	\$30,810.45	\$181.70	\$47,787.10	\$155.00	\$40,765.00
22	30" RCP Storm Drain Pipe	67	LF	\$92.13	\$6,172.71	\$144.90	\$9,708.30	\$120.00	\$8,040.00
23	24" RCP Storm Drain Pipe	1232	LF	\$67.94	\$83,702.08	\$101.20	\$124,678.40	\$95.00	\$117,040.00
24	18" RCP Storm Drain Pipe	272	LF	\$54.64	\$14,862.08	\$81.65	\$22,208.80	\$80.00	\$21,760.00
25	5' Curb Inlet	1	EA	\$2,481.48	\$2,481.48	\$3,976.70	\$3,976.70	\$5,500.00	\$5,500.00
26	10' Curb Inlet	3	EA	\$3,403.56	\$10,210.68	\$7,337.00	\$22,011.00	\$7,500.00	\$22,500.00
27	12' Curb Inlet	1	EA	\$4,901.94	\$4,901.94	\$6,871.25	\$6,871.25	\$8,250.00	\$8,250.00
28	14' Curb Inlet	2	EA	\$4,901.94	\$9,803.88	\$6,189.30	\$12,378.60	\$9,000.00	\$18,000.00
29	3'x3' Type Y Inlet	3	EA	\$2,366.22	\$7,098.66	\$7,337.00	\$22,011.00	\$6,000.00	\$18,000.00
30	Connect to Existing Storm Drain	2	EA	\$565.00	\$1,130.00	\$5,336.00	\$10,672.00	\$850.00	\$1,700.00
31	4'x4' Storm Drain Manhole	3	EA	\$3,756.12	\$11,268.36	\$2,415.00	\$7,245.00	\$6,000.00	\$18,000.00
32	5'x5' Storm Drain Manhole	1	EA	\$4,327.90	\$4,327.90	\$7,475.00	\$7,475.00	\$8,500.00	\$8,500.00
33	36" Sloped Headwall, 1 pipe	1	EA	\$2,834.04	\$2,834.04	\$6,141.00	\$6,141.00	\$9,000.00	\$9,000.00
34	24" Type 'B' Headwall, 1 pipe	1	EA	\$1,505.16	\$1,505.16	\$4,715.00	\$4,715.00	\$3,500.00	\$3,500.00
35	TxDOT Type II S.E.T.-24" RCP	1	EA	\$1,246.39	\$1,246.39	\$1,897.50	\$1,897.50	\$1,500.00	\$1,500.00
36	Roadside Swale Grading	2725	LF	\$6.68	\$18,203.00	\$19.37	\$52,783.25	\$10.00	\$27,250.00
37	Curlex and Hydromulch Seeding of Swale	6600	SY	\$4.07	\$26,862.00	\$5.64	\$37,224.00	\$4.00	\$26,400.00
38	12" Stone Riprap	77	SY	\$63.24	\$4,869.48	\$80.50	\$6,198.50	\$150.00	\$11,550.00
Subtotal					1,334,849.37		1,528,089.03		1,792,935.50



0 405 810 1,620 2,430 3,240 1 inch = 800 feet
Feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 7.

Meeting Date: 02/03/2020

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 6589

Authorizing the Acceptance of Conveyance Documents from Caladium Investments, LLC for the Conveyance and Acquisition of approximately 0.6092 acres of land, more or less, in the Elizabeth Jones Survey, Abstract No. 625, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, property being located in the City of Sherman, County of Grayson, State of Texas

Issue:

Authorizing the acquisition of property for Right of Way (ROW) purposes for F.M. 1417 in the City of Sherman, Texas

Background:

Acquisition of 0.6092 acres of ROW is necessary to continue the widening of F.M. 1417 from S.H. 56 to West Travis Street, formerly known as O.B. Groner Road. The ROW is to be purchased from Caladium Investments, LLC.

Origination:

Engineering Department

Financial Consideration:

The total acquisition costs for this portion of land is \$210,000.00 as well as any closing costs if closing costs are applied.

Staff Recommendation:

Staff recommends that the City Council approve the resolution to authorize the acquisition of the subject property.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 6589

General Warranty Deed - Caladium Investments

Exhibit "A" as noted in both documents

Aerial Location Map

RESOLUTION NO. 6589

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE OF CONVEYANCE DOCUMENTS FROM CALADIUM INVESTMENTS, LLC FOR THE CONVEYANCE AND ACQUISITION OF APPROXIMATELY 0.6092 ACRES OF LAND, MORE OR LESS, IN THE ELIZABETH JONES SURVEY, ABSTRACT NO. 625, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, PROPERTY BEING LOCATED IN THE CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF 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 accept Conveyance Documents from Caladium Investments, LLC for the conveyance and acquisition of approximately 0.6092 acres of land, more or less, for right of way for F.M. 1417, in the Elizabeth Jones Survey, Abstract No. 625, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, property being located in the City of Sherman, County of Grayson, State of Texas.

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

PASSED AND APPROVED on this the _____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

General Warranty Deed

Date:

Grantors: CALADIUM INVESTMENTS, LLC

Grantor's Mailing Address: 2810 Windsor Drive
Sherman, TX 75092

Grantee: City of Sherman, Texas

Grantee's Mailing Address: P.O. Box 1106
Sherman, TX 75091

Consideration: For and in consideration of Ten Dollars (\$10.00) and other valuable consideration by the **CITY OF SHERMAN**

Property: See Attached Exhibit "A"

Reservations from Conveyance:

Exceptions to Conveyance and Warranty:

Grantor, for the Consideration expressed and subject to easements of record grants, sells and conveys to grantee the Property described in Exhibit "A", together with all singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever.

Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the easements of record.

GRANTOR: CALADIUM INVESTMENTS, LLC

Caleb Dupuis, Member

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF _____ §

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

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the _____ day of _____, 2020.

NOTARY PUBLIC, STATE OF TEXAS

Notary's commission expires: _____

ATTEST:

GWD - Caladium Investments

GRANTEE:
CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM AND CONTENT:

BY: _____
BRANDON SHELBY, CITY ATTORNEY

EXHIBIT "A"

COUNTY: Grayson
HIGHWAY: FM 1417
RCSJ: 2455-01-042
CCSJ: 2455-01-036
LIMITS: From 0.3 miles South of O.B. Groner Rd. to SH 56

Page 1 of 4
November 22, 2019

Description for Parcel 38

BEING 0.6092 acres (26,534.9309 sq. ft.) of land situated in the Elizabeth Jones Survey, A-625, and being a part of that certain called 1.75 acre tract or parcel of land described in a General Warranty Deed with Vendor's Lien from Thomas Donoho to Caladium Investements, LLC, dated June 12, 2019, and recorded in Document No. 2019-14971 of the Official Public Records of Grayson County, Texas, said 0.6092 acres of land to be more particularly described by metes and bounds as follows:

COMMENCING at a chain link fence corner found in the South line of the aforementioned 1.75 acre tract for the Northeast corner of that certain called 0.91 acre tract or parcel of land described in a Special Warranty Deed with Vendor's Lien from Ameristate Bank to Michael D. Daniel and Shelly R. Daniel, et al, dated June 29, 2011 and recorded in Vol. 4932 Pg. 331 of the Official Public Records of Grayson County, Texas, and the most Western Northwest corner of that certain called 3.105 acre tract or parcel of land described in a General Warranty Deed with Vendor's Lien from Bradley Lynn Nass, Successor Independent Executor of the Estate of Robert Austin Pritchett, Deceased, Cause No. 2016-026P and as Independent Executor of the Estate of John R. Pritchett, Deceased, Cause No. 2016-267P, to Beren Thomas Bragg, dated October 27, 2016 and recorded in Vol. 5899 Pg. 832 of the Official Public Records of Grayson County, Texas;

THENCE South 75°27'06" West along the South line of said 1.75 acre tract and the North line of the aforementioned 0.91 acre tract, a distance of 111.84 feet to a 5/8" iron rod with 2" aluminum cap stamped "TX DEPT of Transportation - Property Corner" set in the proposed East right-of-way line of FM 1417 for the Southeast corner of the herein described tract, said point being the **POINT OF BEGINNING**, and being located 179.01 feet right of and at a right angle from the Existing Survey Baseline of FM 1417, hereinafter referred to as the "Survey Baseline", at Survey Baseline Station 240+22.87, and being located at the coordinates of 7280668.6964 feet North and 2533529.3717 feet East;

1. **THENCE** South 75°27'06" West along the South line of said 1.75 acre tract and the North line of said 0.91 acre tract, a distance of 28.27 feet to a point in the existing East right-of-way line of FM 1417 for the Southwest corner of the herein described tract, the Southwest corner of said 1.75 acre tract and the Northwest corner of said 0.91 acre tract, from which a TxDOT Type I right-of-way monument bears North 49°43'32" West a distance of 0.62 feet, said point being 151.09 feet right of Survey Baseline station 240+17.94;

EXHIBIT "A"

COUNTY: Grayson
HIGHWAY: FM 1417
RCSJ: 2455-01-042
CCSJ: 2455-01-036
LIMITS: From 0.3 miles South of O.B. Groner Rd. to SH 56

Page 2 of 4
November 22, 2019

Description for Parcel 38

2. **THENCE** North 01°24'15" West along the existing East right-of-way line of FM 1417 and the West line of said 1.75 acre tract, a distance of 359.09 feet to a point in the South right-of-way line of SH 56 for the Northwest corner of the herein described tract and the Northwest corner of said 1.75 acre tract, from which a TxDOT Type I right-of-way monument found bears South 44°55'57" East a distance of 0.68 feet, said point being 150.90 feet right of Survey Baseline station 243+90.93;
3. **THENCE** North 74°53'22" East along the South right-of-way line SH 56 and the North line of said 1.75 acre tract, a distance of 137.17 feet to a 5/8" iron rod with a 3/4" aluminum TxDOT right-of-way disk** set in the proposed East right-of-way line of FM 1417 for the Northeast corner of the herein described tract, from which a point for the Northeast corner of said 1.75 acre tract and the most Northern Northwest corner of the aforementioned 3.105 acre tract bears North 74°53'22" East a distance of 37.40 feet, said point being 283.57 feet right of Survey Baseline station 244+25.79;
4. **THENCE** South 29°34'29" West along the proposed East right-of-way line of FM 1417, a distance of 74.41 feet to a 5/8" iron rod with a 3/4" aluminum TxDOT right-of-way disk** set, said point being 246.41 feet right of Survey Baseline station 243+61.32;
5. **THENCE** South 06°33'21" West along the proposed East right-of-way line of FM 1417, at a distance of 81.56 feet passing a 5/8" iron rod with 2" aluminum cap stamped "TX DEPT of Transportation - Property Corner", and continuing to a total distance of 148.10 feet to a 5/8" iron rod with a 3/4" aluminum TxDOT right-of-way disk** set, said point being 228.51 feet right of Survey Baseline station 242+14.31;
6. **THENCE** South 13°37'55" West along the proposed East right-of-way line of FM 1417, a distance of 180.89 feet to the **PLACE OF BEGINNING, and containing 0.6092 acres (26,534.9309 sq. ft.) of land, more or less.**

EXHIBIT "A"

COUNTY: Grayson
HIGHWAY: FM 1417
RCSJ: 2455-01-042
CCSJ: 2455-01-036
LIMITS: From 0.3 miles South of O.B. Groner Rd. to SH 56

Page 3 of 4
November 22, 2019

Description for Parcel 38

Notes:

All coordinates and distances shown are surface measurements based on the Texas State Plane Coordinate System of 1983 (NAD 83 (2011)), North Central Zone, 4202, and can be converted to grid coordinates by dividing by a Surface Adjustment Factor of 1.000120.

**Monument described and set, may be replaced with TxDOT Type II right-of-way monument upon completion of construction under the supervision of a registered professional land surveyor, either employed or retained by TxDOT.

All referenced property descriptions, distances and areas were taken from deed records acquired from the Deed Records of Grayson County, Texas.

This property description is accompanied by a separate plat.

I, Tim H. Burks, Registered Professional Land Surveyor, do hereby certify that this boundary description and plat represent the results of a survey made on the ground by me, or under my supervision, in the months of April, 2018 and October, 2019.

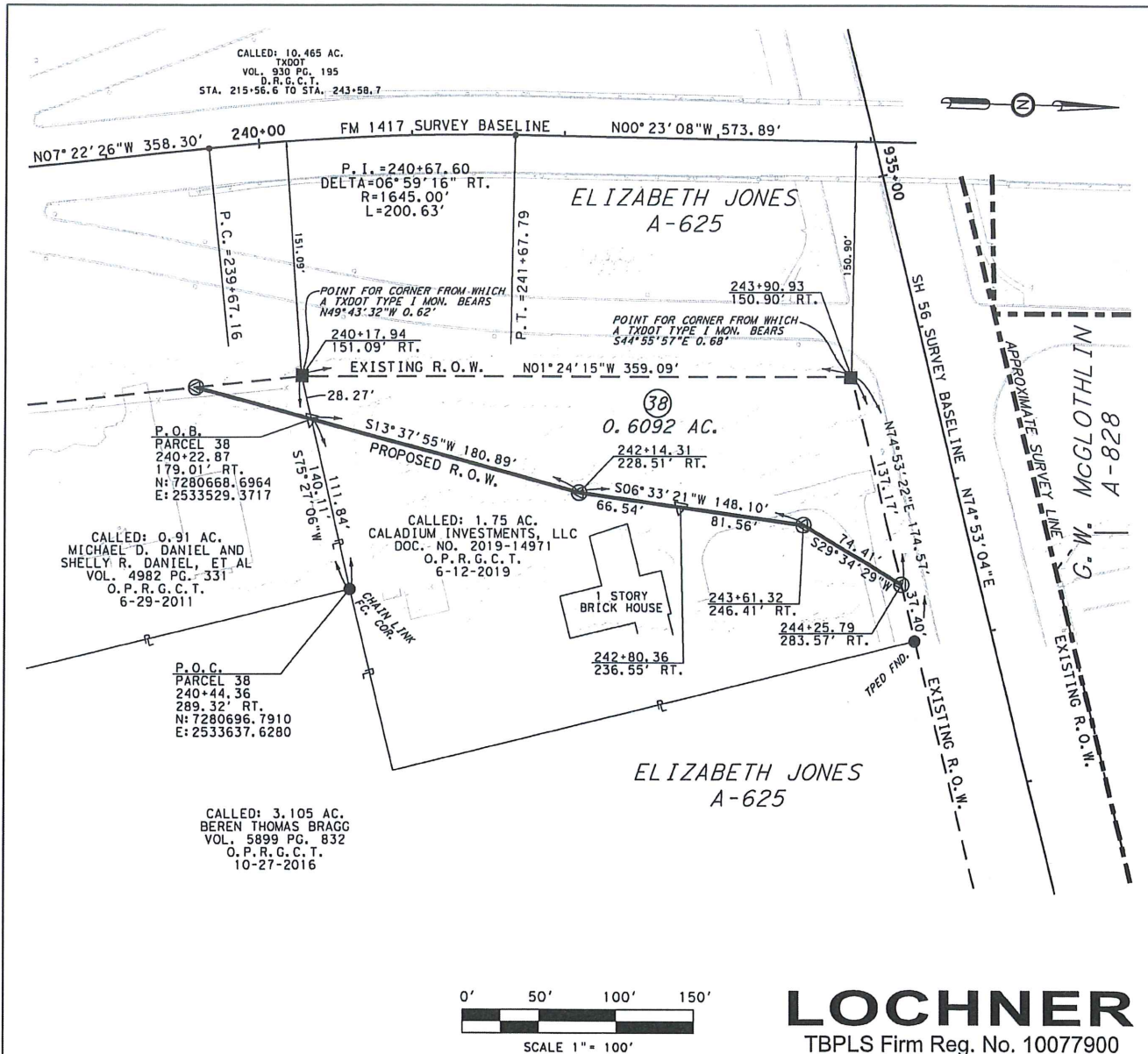


Tim H. Burks, R.P.L.S. Date
Texas Registration No. 5978
TBPLS Firm Reg. No. 10077900

H.W. Lochner, Inc.
5767 Eagles Nest Blvd.
Tyler, Texas 75703
903-581-7844



EXHIBIT "A"



LOCHNER
TBPLS Firm Reg. No. 10077900

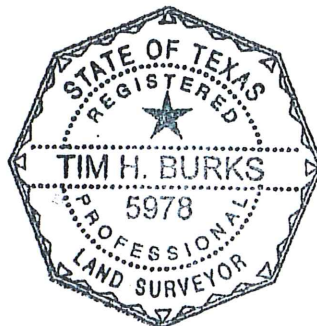
LEGEND

- ⊗ PARCEL NUMBER
- ⊕ SET 5/8" IRON ROD WITH 3 1/4" ALUMINUM TXDOT ROW DISK**
- ▽ SET 5/8" IRON ROD WITH 2" ALUMINUM CAP STAMPED "TX DEPT OF TRANSPORTATION PROPERTY CORNER"
- SET 1/2" IRON ROD WITH MAROON CAP STAMPED "LOCHNER"
- FOUND TXDOT RIGHT-OF-WAY MONUMENT
- FOUND 1/2" IRON ROD (UNLESS OTHERWISE NOTED)
- R.O.W. RIGHT-OF-WAY
- ℙ PROPERTY LINE
- SURVEY/ABSTRACT LINE
- ⌒ FEE HOOK
- D.R.G.C.T. DEED RECORDS GRAYSON COUNTY, TEXAS
- R.P.R.G.C.T. REAL PROPERTY RECORDS GRAYSON COUNTY, TEXAS
- O.P.R.G.C.T. OFFICIAL PUBLIC RECORDS GRAYSON COUNTY, TEXAS
- W.R.G.C.T. WILL RECORDS GRAYSON COUNTY, TEXAS
- P.O.C. POINT OF COMMENCING
- P.O.B. POINT OF BEGINNING
- SURVEY LINE
- - - EXISTING RIGHT OF WAY
- PROPOSED RIGHT OF WAY

I, TIM H. BURKS, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS BOUNDARY DESCRIPTION AND PLAT REPRESENT THE RESULTS OF A SURVEY MADE ON THE GROUND BY ME, OR UNDER MY SUPERVISION, IN THE MONTHS OF APRIL, 2018 AND OCTOBER, 2019.

Tim H. Burks 11-22-19

TIM H. BURKS
REGISTERED PROFESSIONAL LAND SURVEYOR
STATE OF TEXAS NO. 5978



PAGE 4 OF 4

NOTES:

ALL COORDINATES AND DISTANCES SHOWN ARE SURFACE MEASUREMENTS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM OF 1983 (NAD 83 (2011)), NORTH CENTRAL ZONE, 4202, AND CAN BE CONVERTED TO GRID COORDINATES BY DIVIDING BY A SURFACE ADJUSTMENT FACTOR OF 1.000120.

**MONUMENT DESCRIBED AND SET, MAY BE REPLACED WITH TXDOT TYPE 11 RIGHT-OF-WAY MONUMENT UPON COMPLETION OF CONSTRUCTION UNDER THE SUPERVISION OF A REGISTERED PROFESSIONAL LAND SURVEYOR, EITHER EMPLOYED OR RETAINED BY TXDOT.

ALL REFERENCED PROPERTY, DISTANCES AND AREAS WERE TAKEN FROM DEED RECORDS ACQUIRED FROM THE DEED RECORDS OF GRAYSON COUNTY, TEXAS.

REMAINDER ACREAGE IS BY DEED CALL SUBTRACTION UNLESS OTHERWISE NOTED.

PARCEL NO. 38
CALADIUM INVESTMENTS, LLC

FM 1417
GRAYSON COUNTY, TEXAS
RCSJ: 2455-01-042
CCSJ: 2455-01-036

R.O.W. ACQUISITION = 0.6092 AC.
REMAINDER RT. = 1.1408 AC.

2920 W. Houston



0 250 500 1,000 1,500 2,000 1 inch = 500 feet
Feet





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 8.

Meeting Date: 02/03/2020

Prepared By: Tom Pruitt, Utility Engineer

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6590**

Authorizing Execution of a Professional Engineering Services Agreement with Freeman-Millican, Inc. for Design of the Sherman First Street to Rosedale Sewer Replacement Project

Issue:

To consider a contract for professional engineering services with Freeman-Millican, Inc. for design of the Sherman First Street to Rosedale Sewer Replacement Project

Background:

The purpose of this project is for replacement of the sewer lines from First Street to Rosedale Street. It is on the Capital Improvement Program list for this year. The old lines have been found to be high sources of inflow and infiltration. A single line will replace two existing lines in the same easement.

Origination:

Engineering Department

Financial Consideration:

The fee for engineering services will be \$88,000.00. The project design is funded through the Greater Texoma Utility Authority by Open Market Bonds.

Staff Recommendation:

It is recommended that the contract for professional engineering services with Freeman-Millican, Inc. for design of the Sherman First Street to Rosedale Sewer Replacement Project be approved.

Alternatives:

As may be directed by the City Council

Attachments

Resolution No. 6590

Professional Engineering Services Agreement

Aerial Location Map

RESOLUTION NO. 6590

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH FREEMAN-MILLICAN, INC. FOR DESIGN OF THE SHERMAN FIRST STREET TO ROSEDALE SEWER REPLACEMENT PROJECT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

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

SECTION 1. That 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 Engineering Services Agreement with Freeman-Millican, Inc. for Design of the Sherman First Street to Rosedale Sewer Replacement Project, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

ENGINEERING SERVICES AGREEMENT

THIS AGREEMENT is made and entered by and between the CITY OF SHERMAN, a Home-Rule Municipality, organized and existing under the laws of the state of Texas, hereinafter referred to as "City", and, Freeman-Millican, Inc. hereinafter referred to as "Engineer", to be effective upon the date indicated below.

WITNESSETH:

WHEREAS, the City desires to engage the services of the Engineer to prepare construction plans, specifications, details and special provisions and to perform other related engineering services in connection with the **Sherman 1st Street to Rosedale Sewer Replacement Project** for the City of Sherman, Texas, hereinafter referred to as the "Project"; and

WHEREAS, the Engineer desires to render such engineering services for the City subject to the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the covenants contained herein, and for the mutual benefits to be obtained hereby, the parties hereto agree as follows:

1. **Employment of the Engineer.** The City hereby agrees to retain the Engineer to perform professional engineering services in connection with the Project. Engineer agrees to perform such services in accordance with the terms and conditions of this Agreement.
2. **Scope of Work.** The parties agree that Engineer shall perform such services as are set forth and described in Exhibit "1", which is attached hereto and made a part of this Agreement. The parties understand and agree that deviations or modifications in the form of written contract modifications may be authorized from time to time by the City. Engineer agrees to submit all final documents in a form acceptable to the City.
3. **Time of the Essence.** Time is of the essence. Engineer agrees to commence work immediately upon execution of this Agreement and to proceed diligently to completion except for delays beyond Engineer's reasonable control.
4. **Compensation and Method of Payment.** The parties agree that Engineer shall be compensated for all services provided pursuant to this Agreement in the amount described and set forth in Exhibit "1".
5. **Access to the Site.** City agrees to provide access to the Project area necessary or Engineer to complete his work.
6. **Insurance.** Engineer agrees to procure the following insurance:
 - a. Workers' Compensation as required by law.
 - b. Professional Liability Insurance in an amount not less than \$1,000,000 in the aggregate.

c. Comprehensive General Liability and Property Damage Insurance with minimum limits of \$1,000,000 for injury or death of any one person, \$1,000,000 for each occurrence, and \$1,000,000 for each occurrence of damage to or destruction of property.

d. Comprehensive Automobile and Truck Liability Insurance covering owned, hired, and non-owned vehicles, with minimum limits of \$1,000,000 for injury or death of any one person, \$1,000,000 for each occurrence, and \$1,000,000 for property damage.

e. The Engineer shall include the City as an additional insured under the policies, with the exception of the Professional Liability Insurance and Workers' Compensation. Certificates of Insurance and endorsements shall be furnished to the City before work commences. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, and/or reduced in coverage or in limits ("Change in Coverage") except with prior written consent of the City and only after the City has been provided with written notice of such Change in Coverage, such notice to be sent to the City either by hand delivery to the City Manager or by certified mail, return receipt requested, and received by the City no fewer than thirty (30) days prior to the effective date of such Change in Coverage. Prior to commencing services under this Contract. Engineer shall furnish City with Certificates of Insurance, or formal endorsements as required by this Contract, issued by Engineer's insurer(s), as evidence that policies providing the required coverage, conditions, and limits required by this Contract are in full force and effect.

7. Indemnity and Duty to Defend.

a. Engineer shall release, defend, indemnify and hold city and its officers, agents and employees harmless 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, in any way arising out of, related to, or resulting from the services provided by engineer and to the extent caused by the negligent act or omission or intentional wrongful act or omission of engineer, its officers, agents, employees, subcontractors, licensees, invitees or any other third parties for whom engineer is legally responsible. This agreement does not waive, nor shall it be deemed to waive, any immunity or defense, including, but not limited to Governmental immunity that would otherwise be available to the city against claims arising from the exercise of governmental powers and functions.

b. Engineer is expressly required to defend the City against all Claims for which the City becomes liable. In its sole discretion, City shall have the right to select or to approve defense counsel to be retained by Engineer in fulfilling its obligation hereunder to defend and indemnify City, unless such a right is expressly waived by City in writing by the City Manager, approved by the City Attorney, and properly authorized by the City's Council. 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 Engineer's obligation to defend the City or as a waiver of Engineer's obligation to indemnify the City pursuant to this Contract. Engineer shall retain City approved defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this Contract. If Engineer fails to retain Counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and Engineer shall be liable for all costs incurred by City in defense of Claims for which Engineer is liable under this Paragraph.

c. This indemnification and duty to defend is subject to and does not waive any governmental immunity available to the City under Texas law, and any defenses of the parties

under Texas law. The provisions of this paragraph are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

8. **Independent Contractor.** Engineer is an independent contractor and not an officer, agent, servant or employee of City. Engineer shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing same, and shall be responsible for the acts and omissions of its officers, agents, employees, contractors, subcontractors and consultants; that the doctrine of respondent superior shall not apply as between City and Engineer, its officers, agents, employees, contractors, subcontractors and consultants, and nothing herein shall be construed as creating a partnership or joint enterprise between City and Engineer.

9. **Assignment and Subletting.** The Engineer agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of the City. The Engineer 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 the Engineer from its full obligations to the City as provided by this Agreement.

10. **Contract Termination.** The parties agree that City shall have the right to terminate this Agreement with or without cause upon thirty (30) days written notice to Engineer. In the event of such termination, Engineer shall deliver to City all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by Engineer in connection with this Agreement. Engineer 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 this Agreement is terminated, the City shall have the option of entering into an Agreement with another party for the completion of the work.

11. **Ownership of Documents.** Original drawings and specifications are the property of the Engineer; however, the Project is the property of the City and Engineer may not use the drawings and specifications therefore for any purpose not relating to the Project without City's consent. City shall be furnished with such reproductions of drawings and specifications as City may reasonably require. Upon completion of the work or any earlier termination of this Agreement under Paragraph 10, Engineer will revise drawings, if necessary, and he will promptly furnish the City with one (1) complete set of reproducible record prints. Prints shall be furnished, as an additional service, at any other time requested by City. All such reproductions shall be the property of the City who may use them without Engineer's permission for any proper purpose including, but not limited to, additions to or completion of the Project. Engineer also acknowledges that such information shall become subject to the Public Information Laws of this State and that Engineer agrees to waive any copyright claims to the information once the information is submitted to the City.

12. **Complete Contract.** This Agreement, including Exhibit "1", constitutes the entire agreement by and between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous written or oral understandings. To the extent that any of the provisions in Exhibit "1" conflicts with this Agreement, the provisions in the Agreement control over the provisions in the exhibit(s). This Agreement may only be amended, supplemented, modified or canceled by a duly executed written instrument.

13. **Mailing of Notices.** Unless instructed otherwise in writing, Engineer agrees that all notices or communications to City permitted or required under this Agreement shall be addressed to City at the following address:

Utilities Engineer
City of Sherman
P.O. Box 1106
Sherman, TX. 75090

City agrees that all notices or communications to Engineer permitted or required under this Agreement shall be addressed to Engineer at the following address:

Richard Dormier
Freeman-Millican, Inc.
12160 N. Abrams Rd., Suite 508
Dallas, Texas 75243

All notices or communications required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date such notice or communication is posted by the sending party.

14. **Miscellaneous.**

a. **Paragraph Headings.** The paragraph headings contained herein are for convenience only and are not intended to define or limit the scope of any provision in this Agreement.

b. **Contract Interpretation.** Although this Agreement is drafted by the City, should any part be in dispute, the parties agree that the Agreement shall not be construed more favorably for either party.

c. **Venue/Governing Law.** The parties agree that the laws of the State of Texas shall govern this Agreement. Exclusive venue shall lie in Grayson County, Texas.

d. **Successors and Assigns.** City and Engineer, and their partners, successors, subcontractors, executors, legal representatives, and administrators are hereby bound to the terms and conditions of this Agreement.

e. **Severability.** In the event a term, condition, or provision of this Agreement is determined to be 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.

f. **Effective Date.** This Agreement shall be effective from and after execution by both parties hereto.

SIGNED on the date indicated below.

CITY OF SHERMAN

**ENGINEER:
Freeman-Millican, Inc.**

BY _____
Robby Hefton
City Manager

BY _____
Richard Dormier, P.E.
Vice President

DATE _____

DATE _____

APPROVED AS TO FORM:

Brandon S. Shelby, City Attorney

EXHIBIT "1"
ENGINEERING SERVICES AGREEMENT

City of Sherman, Texas
Sherman 1st Street to Rosedale Sewer Replacement Project
Scope of Professional Services

OWNER and ENGINEER, in consideration of their mutual covenants herein, agree in respect of the performance of professional engineering services by ENGINEER and the payment for those services by OWNER as set forth below.

ENGINEER shall provide professional engineering services for OWNER in all phases of the Project to which this Agreement applies, serve as OWNER'S professional engineering representative for the Project as set forth below, and shall give professional engineering consultation and advice to OWNER during the performance of services hereunder.

OWNER intends to construct, through Prime Contractor(s) the Sherman 1st Street to Rosedale Sewer Replacement Project, hereinafter called the "Project".

SECTION 1 - BASIC SERVICES OF ENGINEER

1.1 GENERAL

1.1.1 ENGINEER shall perform professional services as hereinafter stated which include customary civil, structural, mechanical, and electrical engineering services and customary architectural services incidental thereto. A study phase of process options shall be the initial phase of this project.

1.2 PRELIMINARY DESIGN PHASE

After authorization to proceed with the Preliminary Design Phase, ENGINEER shall:

1.2.1 In consultation with OWNER, determine the extent of the Project.

1.2.2 Advise OWNER as to the necessity of OWNER'S providing, or obtaining from others, data or services of the types described in paragraph 3.3, and act as OWNER'S representative in connection with any such services.

1.2.3 Prepare preliminary design documents consisting of final design criteria, preliminary drawings, and outline specifications.

1.2.4 Based on the information contained in the preliminary design documents, submit a revised opinion of probable Project Costs.

1.2.5 Furnish 3 copies of the above preliminary design documents and present and review them in person with OWNER.

1.3 FINAL DESIGN PHASE

After authorization to proceed with the Final Design Phase, ENGINEER shall:

1.3.1 On the basis of comments from the review of the preliminary design documents and the revised opinion of probable Project Cost, prepare for incorporation in the Contract

Documents final drawings to show the character and extent of the Project (hereinafter called "Drawings") and Specifications.

- 1.3.2 Furnish to OWNER such documents and design data as may be required for, and assist in the preparation of, the required documents so that OWNER may apply for approvals of such governmental authorities as have jurisdiction over design criteria applicable to the Project, and assist in obtaining such approvals by participating in submissions to and negotiations with appropriate authorities.
- 1.3.3 Advise OWNER of any adjustments to the latest opinion of probable Project Cost caused by changes in extent or design requirements of the Project or Construction Costs and furnish a revised opinion of probable Project Cost based on the Drawings and Specifications.
- 1.3.4 Prepare for review and approval by OWNER, his legal counsel, and other advisors, contract agreement forms, general conditions and supplementary conditions, and (where appropriate) bid forms, invitations to bid and instructions to bidders, and assist in the preparation of other related documents.
- 1.3.5 Submit plans, specifications, and contract documents to applicable regulatory agencies for approval.
- 1.3.6 Furnish 1 paper copy and one digital copy of the above documents, present and review them in person with OWNER. Make any needed final revisions.
- 1.4 BIDDING PHASE by Owner
- 1.5 CONSTRUCTION PHASE by Owner

During the Construction Phase ENGINEER shall:

- 1.5.1 Make visits to the site at intervals appropriate to the various stages of construction to observe as an experienced and qualified design professional the progress and quality of the executed work of Contractor(s) and to determine in general if such work is proceeding in accordance with the Contract Documents. ENGINEER shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of such work. ENGINEER shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s) or the safety precautions and programs incident to the work of Contractor(s). ENGINEER'S efforts will be directed toward providing a greater degree of confidence for OWNER that the completed work of Contractor(s) will conform to the Contract Documents, but ENGINEER shall not be responsible for the failure of Contractor(s) to perform the work in accordance with the Contract Documents. During such visits and on the basis of on-site observations ENGINEER shall keep OWNER informed of the progress of the work and shall endeavor to guard OWNER against defects and deficiencies in such work and may disapprove or reject work failing to conform to the Contract Documents.
- 1.5.2 Revise contract drawings (unless redrawing is required), with the assistance of the OWNER and Contractor(s), and furnish one set of record drawings in PDF Document Format.

SECTION 2 - ADDITIONAL SERVICES OF ENGINEER

2.1 GENERAL

If authorized in writing by OWNER, ENGINEER shall furnish or obtain from others Additional Services of the following types which are not considered normal or customary Basic Services

- 2.1.1 Preparation of applications and supporting documents for governmental grants, loans or advances in connection with the Project; preparation or review of environmental assessments and impact statements; review and evaluation of the effect on the design requirements of the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.
- 2.1.2 Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by OWNER.
- 2.1.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, OWNER'S schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are due to causes beyond ENGINEER'S control.
- 2.1.4 Providing renderings or models for OWNER'S use.
- 2.1.5 Furnishing the services of special consultants for other than the normal civil, structural, mechanical and electrical engineering and normal architectural design incidental thereto, such as consultants for interior design, furniture, furnishings, communications, acoustics, kitchens and landscaping; and providing data or services of the types described in paragraph 3.3 when OWNER authorizes ENGINEER to provide such data or services in lieu of furnishing the same in accordance with paragraph 3.3.
- 2.1.6 Services resulting from the arranging for performance by persons other than the principal prime contractors of services for the OWNER and administering OWNER'S contracts for such services.
- 2.1.7 Provide staking to enable Contractor(s) to proceed with their work and providing other special field surveys.
- 2.1.8 Services during out-of-town travel required of ENGINEER other than visits to the site and OWNER'S office as required by SECTION 1 and authorized by OWNER.
- 2.1.9 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) prolongation of the contract time of any prime contract by more than sixty days, (4) acceleration of the progress schedule involving services beyond normal working hours, and (5) default by Contractor(s).
- 2.1.10 Preparation of operating and maintenance manuals; protracted or extensive assistance in the utilization of any equipment or system (such as initial startup, testing, adjusting and balancing); and training personnel for operation and maintenance.

- 2.1.11 Services after completion of the Construction Phase, such as inspections during any guarantee period and reporting observed discrepancies under guarantees called for in any contract for the Project.
- 2.1.12 Preparing to serve or serving as a consultant or witness for OWNER in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as agreed to under Basic Services).
- 2.1.13 Additional services in connection with the Project, including services normally furnished by OWNER and services not otherwise provided for in this Agreement.
- 2.1.14 Preparation of property descriptions.
- 2.1.15 Additional copies of reports (over agreed number) and additional sets of Contract Documents (over agreed number).
- 2.1.16 Services of a resident Project representative, and other field personnel as required, for on-the-site observation of construction.
- 2.1.17 Any other special or miscellaneous assignments specifically authorized by OWNER.

SECTION 3 - OWNER'S RESPONSIBILITIES

OWNER shall:

- 3.1 Provide all criteria and full information as to OWNER'S requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which OWNER will require to be included in the Drawings and Specifications.
- 3.2 Assist ENGINEER by placing at his disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project.
- 3.3 Furnish to ENGINEER, as required for performance of ENGINEER'S Basic Services, data prepared by or services of others, including without limitation core borings, probings and subsurface explorations, hydrographic surveys, laboratory tests and inspections of samples, materials and equipment; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restrictions; and other special data or consultations not covered in SECTION 2; all of which ENGINEER may rely upon in performing his services.
- 3.4 Provide field control surveys and establish reference points and base lines to enable Contractor(s) to proceed with the layout of the work.
- 3.5 Arrange for access to and make all provisions for ENGINEER to enter upon public and private property as required for ENGINEER to perform his services.
- 3.6 Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by ENGINEER, obtain advice of an attorney, insurance

counselor and other consultants as OWNER deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of ENGINEER.

- 3.7 Furnish approvals and permits from all governmental authorities having jurisdiction over the Project and such approvals and consents from others as may be necessary for completion of the Project.
- 3.8 Provide such accounting, independent cost estimating and insurance counseling services as may be required for the Project, such legal services as OWNER may require or ENGINEER may reasonably request with regard to legal issues pertaining to the Project including any that may be raised by Contractor(s), such auditing service as OWNER may require to ascertain how or for what purpose any Contractor has used the moneys paid to him under the construction contract and such inspection services as OWNER may require to ascertain that Contractor(s) are complying with any law, rule or regulation applicable to their performance of the work.
- 3.9 Designate in writing a person to act as OWNER'S representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define OWNER'S policies and decisions with respect to materials, equipment, elements and systems pertinent to ENGINEER'S services.
- 3.10 Give prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of ENGINEER'S services, or any defect in the work of Contractor(s).
- 3.11 Furnish, or direct ENGINEER to provide, necessary Additional Services as stipulated in Section 2 of this Agreement or other services as required.
- 3.12 Bear all costs incident to compliance with the requirements of this Section 3.

SECTION 4 - PERIOD OF SERVICE

- 4.1 The provisions of this Section 4 and the various rates of compensation for ENGINEER'S services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of the Construction Phase. ENGINEER'S obligation to render services hereunder will extend for a period which may reasonably be required for the design, award of contracts and construction of the Project including extra work and required extensions thereto.
- 4.2 After acceptance by OWNER of the ENGINEER'S Drawings, Technical Specifications and other Final Design Phase documentation including the most recent opinion of probable Project Cost and upon written authorization to proceed, ENGINEER shall proceed with performance of the services called for in the Bidding. This Phase shall terminate and the services to be rendered thereunder shall be considered complete upon commencement of the Construction Phase or upon cessation of the negotiations with prospective Contractor(s) (except as may be otherwise required to complete the services called for in paragraph 6.1.2.5).

- 4.3 The Construction Phase will commence with the execution of the first prime contract to be executed for the work of the Project or any part thereof, and will terminate upon written approval by OWNER of final payment on the last prime contract to be completed. Construction Phase services may be rendered at different times in respect of separate prime contracts if the Project involves more than one prime contract.
- 4.4 If OWNER has requested significant modifications or changes in the extent of the Project, the time of performance of ENGINEER'S services and his various rates of compensation shall be adjusted appropriately.
- 4.5 If OWNER fails to give prompt written authorization to proceed with any phase of services after completion of the immediately preceding phase, or if the Construction Phase has not commenced within 90 calendar days (plus such additional time as may be required to complete the services called for under paragraph 6.2.2.5) after completion of the Final Design Phase, ENGINEER may, after giving seven days' written notice to OWNER, suspend services under this Agreement.
- 4.6 If ENGINEER'S services for design of the Project are delayed or suspended in whole or in part by OWNER for more than five months for reasons beyond ENGINEER'S control, ENGINEER shall on written demand to OWNER (but without termination of this Agreement) be paid as provided in paragraph 5.3.2. If such delay or suspension extends for more than one year for reasons beyond ENGINEER'S control, or if ENGINEER for any reason is required to render services more than one year after Substantial Completion, the various rates of compensation provided for elsewhere in this Agreement shall be subject to renegotiation.
- 4.7 In the event that the work designed or specified by ENGINEER is to be performed under more than one prime contract, OWNER and ENGINEER shall, prior to commencement of the Final Design Phase, develop a schedule for performance of ENGINEER'S services during the Final Design, Bidding and Construction Phases in order to sequence and coordinate properly such services as applicable to the work under such separate contracts.

SECTION 5 - PAYMENTS TO ENGINEER

5.1 METHODS OF PAYMENT FOR SERVICES AND EXPENSES OF ENGINEER

5.1.1 For Basic Services

OWNER shall pay ENGINEER for Basic Services rendered under SECTION 1 and as further identified in Exhibit "A" as the preliminary engineering phase, final design phase, bidding phase and construction phase a lump sum in the amount of \$88,000.00.

5.1.2 For Additional Services

OWNER shall pay ENGINEER for Additional Services rendered under SECTION 2 as follows:

5.1.2.1 General

For Additional Services rendered under paragraphs 2.1.1 through 2.1.17, inclusive (except services covered by paragraph 2.1.5 and services as a consultant or witness under paragraph 2.1.12), payment will be at the hourly rates in Exhibit "B".

5.1.2.2 Special Consultants

For services and reimbursable expenses of special consultants employed by ENGINEER pursuant to paragraph 2.1.5 or 2.1.17, the amount billed to ENGINEER therefor times a factor of 1.10

5.1.2.3 Serving as a Witness

For the services rendered by principals and employees as consultants or witnesses in any litigation, hearing or proceeding in accordance with paragraph 2.1.12, at the rate of \$ 2,500 per day or any portion thereof (but compensation for time spent in preparing to appear in any such litigation, hearing or proceeding will be on the basis provided in paragraph 5.1.2.1).

5.1.3 As used in this paragraph 5.1 the term "Reimbursable Expenses" will have the meaning assigned to it in paragraph 5.4.

5.2 TIMES OF PAYMENTS

5.2.1 ENGINEER shall submit monthly statements for Basic and Additional Services rendered and for reimbursable Expenses incurred. The statements will be based upon ENGINEER'S estimate of the proportion of the total services actually completed at the time of billing. OWNER shall make prompt monthly payments in response to ENGINEER'S monthly statements.

5.2.2 Upon conclusion of each phase of Basic Services, OWNER shall pay such additional amount, if any, as may be necessary to bring total compensation paid on account of such phase to the following percentages of total compensation payable for all phases of Basic Services:

Phase	Percent of Basic Services
Preliminary Design & Surveying	35%
Final Design	65%
Bidding or Negotiating	0%
Construction	0%
TOTAL	100%

5.3 OTHER PROVISIONS CONCERNING PAYMENTS

5.3.1 Changes in Project Scope

In the event the OWNER changes the scope of the project after the commencement of the Final Design Phase and such changes render the work unusable that has been performed to the date of the change in project scope, ENGINEER will be paid for services rendered during that phase to the date of notice of the change in project scope at the hourly rates in Exhibit "B" for services rendered by principals and employees assigned to the Project during that phase to date of notice of the change in project scope. In the event of any such change in scope, ENGINEER will be paid for all unpaid Additional Services and unpaid Reimbursable Expenses.

In the event the OWNER changes the scope of the project after the commencement of the Final Design Phase and such changes require the Engineer to modify, redesign or otherwise change engineering work that has been completed or partially completed at the date of the change in scope, ENGINEER will be paid for services required to modify, redesign or otherwise change completed engineering work to meet the requirements of the revised scope of services at the hourly rates in Exhibit "B" for principals and employees assigned to the Project. In the event of any such change in scope, ENGINEER will be paid for all Additional Services and Reimbursable Expenses required to make the above stated changes. Before making changes to the engineering work under this provision, the ENGINEER shall submit an estimate of the cost of making the changes under this paragraph. The ENGINEER shall not begin making changes to the engineering work until authorized by the OWNER.

5.3.2 If OWNER fails to make any payment due ENGINEER for services and expenses within sixty days after receipt of ENGINEER'S bill therefor, the amounts due ENGINEER shall include a charge at the rate of 1% per month from said sixtieth day, and in addition, ENGINEER may, after giving seven days' written notice to OWNER, suspend services under this Agreement until he has been paid in full all amounts due him for services and expenses.

5.3.3 In the event of termination by OWNER, upon the completion of any phase of the Basic Services, progress payments due ENGINEER for services rendered through such phase shall constitute total payment for such services. In the event of such termination by OWNER during any phase of the Basic Services, ENGINEER will be paid for services rendered during that phase at the hourly rates in Exhibit "B" for services rendered during that phase to date of termination by principals and employees assigned to the Project. In the event of any such termination, ENGINEER will be paid for all unpaid Additional Services and unpaid Reimbursable Expenses, plus all termination expenses. Termination expenses mean Reimbursable Expenses directly attributable to termination, which shall include an amount computed as a percentage of total compensation for Basic Services earned by ENGINEER to the date of termination, as follows:

20% if termination occurs after commencement of the Preliminary Design Phase but prior to commencement of the Final Design Phase; or

10% if termination occurs after commencement of the Final Design Phase.

5.4 DEFINITIONS

- 5.4.1 Reimbursable Expenses mean the actual expenses incurred directly or indirectly in connection with the Project for: transportation and subsistence incidental thereto; obtaining bids or proposals from Contractor(s); furnishing and maintaining field office facilities; subsistence and transportation of Resident Project Representatives and their assistants; toll telephone calls and telegrams; reproduction of reports, Drawings, Specifications, and similar Project related items in addition to those required under Section 1; and, if authorized in advance by OWNER, overtime work requiring higher than regular rates.

SECTION 6 - OPINIONS OF COST

6.1 OPINIONS OF COST

- 6.1.1 Since ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions, his opinions of probable Project Cost and Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but ENGINEER cannot and does not guarantee that proposals, bids or actual Project or Construction Cost will not vary from opinions of probable cost prepared by him. If prior to the Bidding Phase OWNER wishes greater assurance as to Project or Construction Cost, he shall employ an independent cost estimator as provided in paragraph 3.8. If a Construction Cost limit is established by written agreement between OWNER and ENGINEER, the following will apply:
- 6.1.1.1 The acceptance by OWNER at any time during the Basic Services of a revised opinion of probable Project or Construction Cost in excess of the then established cost limit will constitute a corresponding revision in the Construction Cost limit to the extent indicated in such revised opinion.
- 6.1.1.2 Any Construction Cost limit so established will include a contingency of ten percent unless another amount is agreed upon in writing.
- 6.1.1.3 ENGINEER will be permitted to determine what materials, equipment, component systems and types of construction are to be included in the Drawings and Specifications and to make reasonable adjustments in the extent of the Project to bring it within the cost limit.
- 6.1.1.4 If the Bidding Phase has not commenced within six months after completion of the Final Design Phase, the established Construction Cost limit will not be binding on ENGINEER, and OWNER shall consent to an adjustment in such cost limit commensurate with any applicable change in the general level of prices in the construction industry between the date of completion of the Final Design Phase and the date on which proposals or bids are sought.
- 6.1.1.5 If the lowest bona fide proposal or bid exceeds the established Construction Cost limit, OWNER shall (1) give written approval to increase such cost limit, (2) authorize negotiating or rebidding the Project within a reasonable time, or (3) cooperate in revising the Project's extent or quality. In the case of (3), ENGINEER shall, without

additional charge, modify the Contract Documents as necessary to bring the Construction Cost within the cost limit. The providing of such service will be the limit of ENGINEER'S responsibility in this regard and, having done so, ENGINEER shall be entitled to payment for his services in accordance with this Agreement.

SECTION 7 - GENERAL CONSIDERATIONS

7.1 REUSE OF DOCUMENTS

All documents including Drawings and Specifications prepared by ENGINEER pursuant to this Agreement are instruments of service in respect to the Project. They are not intended or represented to be suitable for reuse by OWNER or others on extensions of the Project or on any other project. Any reuse without written verification or adaptation by ENGINEER for the specific purpose intended will be at OWNER'S sole risk and without liability or legal exposure to ENGINEER; and OWNER shall indemnify and hold harmless ENGINEER from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

SECTION 8 - SPECIAL PROVISIONS, EXHIBITS AND SCHEDULES

- 8.1 The following Exhibits are attached to and made a part of this Exhibit 1:
Exhibit "A" Scope of Work and Exhibit "B" – Freeman-Millican, Inc. - Hourly Rate

Exhibit "A"

SHERMAN 1ST STREET TO ROSEDALE SEWER REPLACEMENT PROJECT SCOPE OF SERVICES

Preliminary Design

Obtain copies of existing sewer drawing existing easements and other information from the Owner
Review capacity of existing sewers including upstream & downstream sewers
Identify property owners and work with City on permission to survey and clear brush
Review existing easements, obtain deeds and identify corners
On site verify existing parallel sewers sizes, condition and interconnections
Preliminary design surveying and verify property corners
Flag preliminary alignment for dozing brush by City
Determine existing parallel sewers capacity and review with City
Develop preliminary alignment and sewer design
Develop easement descriptions
Design survey and locate existing sewer and service line connections
Preliminary Engineer's Estimate of Probable Construction Cost

Design

Develop TCEQ engineering design report
Final design of replacement sewer
Design plan and profile sewer drawings
Design detail drawings
Design two aerial crossings
Design 1st Street crossing with drawings
Design five existing sewer connections and service line to replacement sewer
Design downstream sewer connection with drawings
Design existing parallel sewer connections to new sewer
Develop technical specifications
Assist Sherman staff with development of general specification coordinated with technical specifications
Assist Sherman staff with development of bid proposal form and bid advertisement
Develop cover and general drawings
Review plans & specifications with Sherman staff
Review plans & specifications with TCEQ
Revise and print final drawings and technical specifications
Engineer's Estimate of Probable Construction Cost
Quality assurance and quality control

Project management

Assist City with contractor questions and any addendums

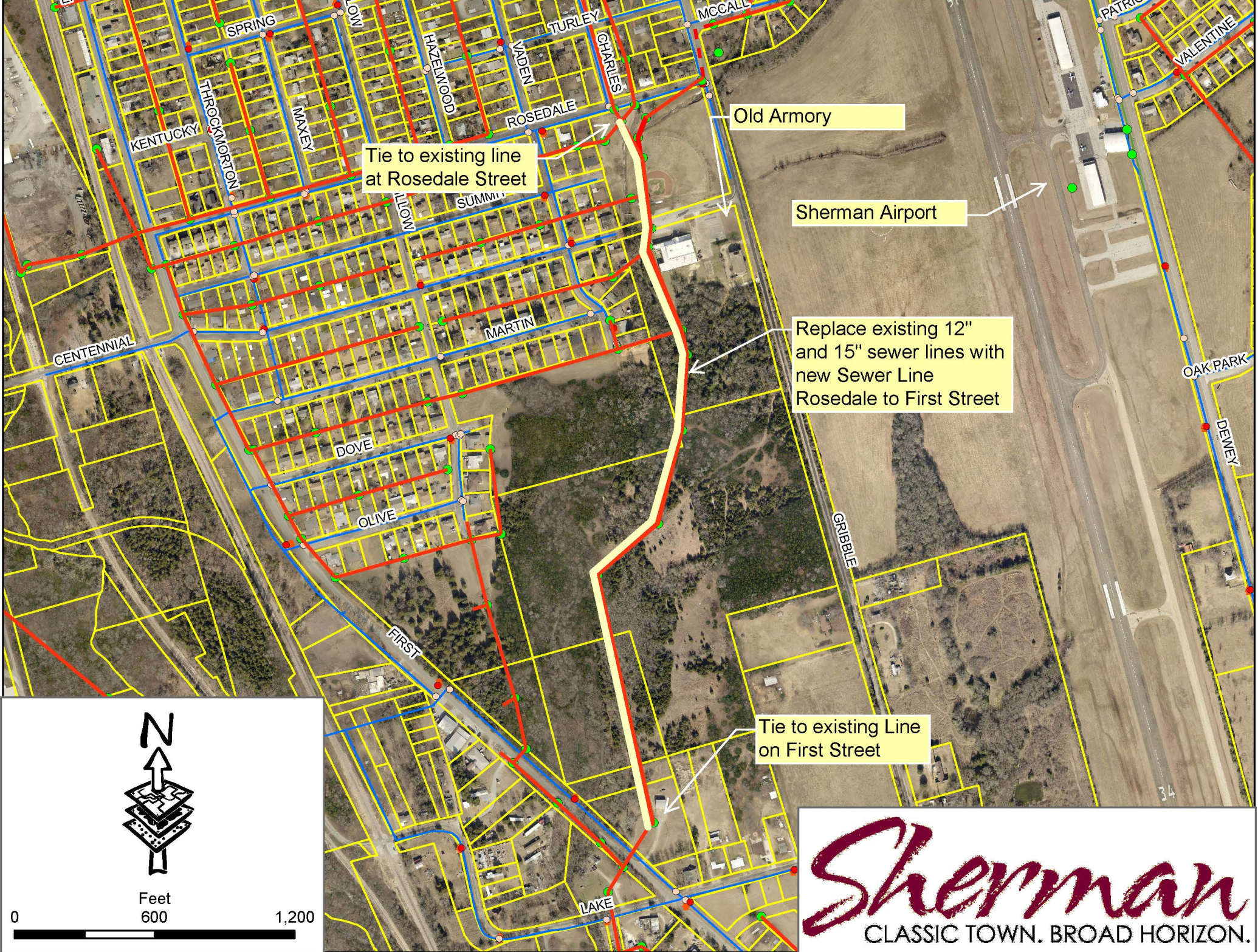
Assist City with on site meeting/reviews/pier bottoms as needed

Assist City with needed change orders

Provide record drawing based on contractor/City marked drawings

EXHIBIT "B"
FREEMAN-MILLICAN, INC.
HOURLY RATES

Employee Category	Rate	Billing Unit
Principal Engineer	\$ 200.00	per hour
RPLS	180.00	per hour
Senior Planner	175.00	per hour
Senior Engineer	175.00	per hour
Associate Engineer	160.00	per hour
Associate Planner	160.00	per hour
Architect	150.00	per hour
Senior Project Engineer	145.00	per hour
Project Engineer	130.00	per hour
Planner	130.00	per hour
Engineer-in-Training (EIT)	105.00	per hour
Designer	95.00	per hour
CAD Technician	80.00	per hour
Clerical	55.00	per hour
GPS Surveying	150.00	per hour
Surveying - Field Support	65.00	per hour
Mileage (IRS Allowable)	\$0.545	per mile



Tie to existing line
at Rosedale Street

Old Armory

Sherman Airport

Replace existing 12"
and 15" sewer lines with
new Sewer Line
Rosedale to First Street

Tie to existing Line
on First Street



Feet
600

1,200

Sherman
CLASSIC TOWN. BROAD HORIZON.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

D. 9.

Meeting Date: 02/03/2020

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

*** RESOLUTION NO. 6591**

Authorizing Execution of a Drainage Agreement with GO Properties 7, LLC

Issue:

This agreement would allow the Developer to discharge storm water runoff from the proposed development area.

Background:

The purpose of this agreement is to set forth the terms and conditions upon which the Developer may discharge drainage from Lot One (1), Block A of the Golden Owens Addition. The Developer will pay a drainage fee for the City to construct future regional facilities in the area.

Origination:

GO Properties 7, LLC (Developer)

Financial Consideration:

The fees received by the City will total \$56,041.00.

Staff Recommendation:

Staff recommends approval of the Drainage Agreement.

Alternatives:

As directed by City Council

Attachments

Resolution No. 6591

Drainage Agreement

Proposed Plat

Aerial Location Map

RESOLUTION NO. 6591

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A DRAINAGE AGREEMENT WITH GO PROPERTIES 7, 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 Drainage Agreement with GO Properties 7, LLC, in accordance with all contract documents to be attached hereto and incorporated herein for all purposes.

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

PASSED AND APPROVED on this the ____ day of _____, 2020.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PYLER, MAYOR

**APPROVED AS TO FORM
AND CONTENT:**

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

DRAINAGE AGREEMENT

This Drainage Agreement (this "Agreement") is entered into on this _____ day of _____, 2020 by and between the CITY OF SHERMAN, 200 W. Mulberry Street, Sherman, Texas 75090 (the "City") and GO PROPERTIES 7, LLC, 6601 Blanco Rd., Suite 150, San Antonio, TX 78216 (the "Developer").

NOW THEREFORE, in consideration of the premises, the Developer and the City do enter into the following Agreement:

A. The purpose of this Agreement is to set forth the terms and conditions upon which the Developer may discharge drainage from Lot 1, Block A, Golden Owens Addition.

B. The Developer's preliminary plat for Lot 1, Block A, Golden Owens Addition with One (1) lot has been submitted to the City and is attached to this Agreement as Exhibit A. The maximum number of lots to be included in this Agreement is One (1).

C. Developer will be permitted to discharge storm water runoff, including any increases in storm water runoff due to development, given that the Developer pay the City a total of \$56,041.00 in drainage fees (the "Fees"), payable at the rate of \$56,041.00 upon approval. The Fees will be prior to submission to City Council.

D. City will construct all segments and portions of the drainage facilities, as deemed necessary by the City. The City, at its discretion, shall also select all companies to bid on the construction of the drainage facilities, determine which bids qualify and select the lowest, qualified bid.

E. No Public Facilities will be made available by the City to any lot within the development, or as agreed upon in writing by both the Developer and the City.

F. INDEMNIFICATION AND HOLD HARMLESS. DEVELOPER OBLIGATES ITSELF TO THE CITY TO FULLY AND UNCONDITIONALLY PROTECT, INDEMNIFY AND DEFEND THE CITY, ITS OFFICERS, AGENTS AND EMPLOYEES, AND HOLD IT HARMLESS FROM AND AGAINST ANY AND ALL COSTS, EXPENSES, REASONABLE ATTORNEY FEES, CLAIMS, SUITS, LOSSES OR LIABILITY FOR INJURIES TO PROPERTY, INJURIES TO PERSONS (INCLUDING DEVELOPER'S EMPLOYEES), INCLUDING DEATH, AND FROM ANY OTHER COSTS, REASONABLE ATTORNEY FEES, CLAIMS, SUITS, LOSSES OR LIABILITY OF ANY AND EVERY NATURE WHATSOEVER ARISING IN ANY MANNER, DIRECTLY OR INDIRECTLY, OUT OF OR IN CONNECTION HERewith, REGARDLESS OF CAUSE OR OF THE SOLE, JOINT, COMPARATIVE OR CONCURRENT NEGLIGENCE OR GROSS NEGLIGENCE OF DEVELOPER, ITS OFFICERS, AGENTS OR EMPLOYEES. THIS INDEMNIFICATION AND SAVE HARMLESS SHALL APPLY TO ANY IMPUTED OR ACTUAL JOINT ENTERPRISE LIABILITY. THIS INDEMNITY DOES NOT WAIVE ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND DOES NOT WAIVE ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

G. The requirements of this Agreement shall be binding on the Developer, its successors and assigns, and the Developer agrees to notify the purchaser of any undeveloped portion of the development that will be affected by the requirements of this Agreement before any conveyance is made.

IN WITNESS WHEREOF parties have caused this Agreement to be executed in multiple originals
this ____ day of _____, 2020.

DEVELOPER:

GO Properties 7, LLC

By: _____
Rodney Owens, Manager

ATTEST:

By: _____

Name: _____

Title: _____

CITY:

CITY OF SHERMAN

By: _____

Name: Robby Hefton

Title: City Manager

ATTEST:

By: _____

Name: Linda Ashby

Title: City Clerk

APPROVAL RECOMMENDED:

Clint Philpott, P.E./Director of Engineering

APPROVED AS TO FORM:

Brandon S. Shelby, City Attorney

LOT 1, BLOCK A
GOLDEN OWENS ADDITION
TO THE CITY OF SHERMAN,
GRAYSON COUNTY, TEXAS
BROWN AND RICKETTS SURVEY
ABSTRACT NO. 1553
VOLUME 5933 PAGE 139
O.P.R.C.T.T.
5.161 ACRES

Golden Owens Addition





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 1.

Meeting Date: 02/03/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Impact Fee Presentation from Jeff Whitacre, Vice President of Kimley-Horn and Associates, Inc.

Issue:

Presentation on Impact Fees

Background:

Impact Fees are authorized under Chapter 395 of the Texas Local Government Code, "Financing Capital Improvements Required by New Development in Municipalities, Counties, and Certain Other Local Governments". An Impact Fee is defined as "a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, and any other fee that functions as described by this definition. The term does not include:

- dedication of land for public parks or payment in lieu of the dedication to serve park needs;
- dedication of rights-of-way or easements or construction or dedication of on-site or off-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks, or curbs if the dedication or construction is required by a valid ordinance and is necessitated by and attributable to the new development;
- lot or acreage fees to be placed in trust funds for the purpose of reimbursing developers for oversizing or constructing water or sewer mains or lines; or
- other pro rata fees for reimbursement of water or sewer mains or lines extended by the political subdivision. However, an item included in the capital improvements plan may not be required to be constructed except in accordance with Section 395.019(2), and an owner may not be required to construct or dedicate facilities and to pay impact fees for those facilities."

Origination:

City Manager Robby Hefton

Financial Consideration:

There is no financial impact to be considered.

Staff Recommendation:

This presentation is for information purposes only. Based on the presentation, the Council could direct staff to pursue a contract for services to conduct an Impact Fee Study.

Alternatives:

None recommended



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 2.

Meeting Date: 02/03/2020

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Receive Community and Support Services Manager Nate Strauch's Presentation regarding the City of Sherman's "Quality Neighborhoods Program"

Issue:

An update on the City's "Quality Neighborhoods Program"

Background:

During the spring of 2019, the Sherman City Council agreed to spend excess sales tax revenue to create a City demolition crew that could abate substandard structures internally. The initial start-up (sunk) costs for that program were \$489,000.00.

In the intervening nine months, the crew has successfully increased the rate of demolitions, razing 70 structures while saving the City of Sherman approximately \$41,500.00 versus the cost of paying a third party for the same work.

Origination:

City Manager Robby Hefton

Financial Consideration:

The marginal, ongoing costs associated with the demolition crew are approximately \$203,000.00 per year.

Staff Recommendation:

The Council need take no action on this agenda item - it is for informational purposes only.

Alternatives:

As directed by Council



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 3.

Meeting Date: 02/03/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider Calling a Special Meeting of the City Council for a Training Workshop to be Conducted by E. Allen Taylor, Jr., Founding Partner of Taylor, Olson, Adkins, Sralla and Elam, LLP on Wednesday, February 12, 2020

Issue:

To call a special meeting of the City Council for 11:00 a.m. on Wednesday, February 12, 2020 to hold a Training Workshop in the City Council Chambers of City Hall

Background:

Mr. Taylor will provide the Mayor and City Council members with training and a legal update regarding various City-related topics.

Origination:

City Manager Robby Hefton

Financial Consideration:

There is no financial impact to scheduling this meeting.

Staff Recommendation:

It is recommended that the City Council, **by motion and order**, call a special City Council meeting for 11:00 a.m. on Wednesday, February 12, 2020.

Attachments

E. Allen Taylor, Jr. - Biography



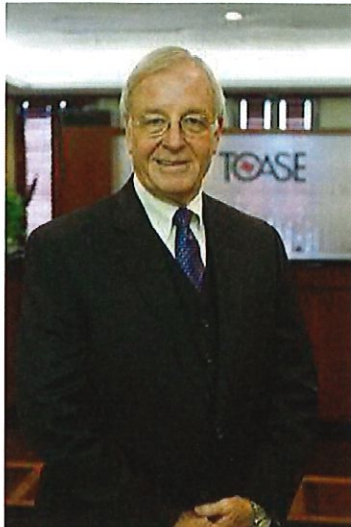
TOASE

TAYLOR·OLSON·ADKINS·SRALLA·ELAM
ATTORNEYS & COUNSELORS

[Home](#)
[Practice Areas](#)
[Attorneys](#)
[Representative Clients](#)
[Contact Us](#)

E. Allen Taylor, Jr.

Founding Partner



Phone: 817-332-2580
Fax: 817-332-4740
ataylor@toase.com
[Download vCard](#)

Prior to embarking on a legal career, Allen served as Planning Director of the City of Edinburg, Texas, Director of Planning & Community Development of the City of Pharr, Texas, and the Director of Planning & Community Development for the City of Killeen, Texas.

Allen is a Fort Worth native and currently serves as City Attorney to the cities of Burleson, Southlake, Mansfield, and Cleburne. He is the former Chairman of the Plan Commission of the City of Fort Worth, a former member of the Zoning Commission of the City of Fort Worth, a member of the Advisory Board of the Institute for Local Government Studies of The Center for American and International Law and was previously a member of the Pre-Application Review Panel and the Section 208 Water Quality Advisory Committee of the Lower Rio Grande Valley Development Council. He has served as a speaker and panelist for a number of conferences and seminars in these fields and has authored a number of articles in the land use and development law area.

Practice Areas

- Public Law
- Municipal Law
- Land Use Law

Education

- Master of Urban Planning, Texas A&M University 1973
 - BA, Texas A & M University 1973
 - Master of Public Administration, Southwest Texas State University 1980
 - J.D Baylor University School of Law 1983
- Honors:*
- Cum Laude
 - National Order of Barristers
 - Law Review: Research and Topics Editor

Professional Affiliations and Memberships

Licensed:

- Texas Supreme Court
- U.S. Court of Appeals 5th Circuit
- U.S. Court of Appeals 10th Circuit
- U.S. District Court Northern District of Texas
- U.S. District Court Southern District of Texas
- U.S. District Court Eastern District of Texas
- U.S. District Court Western District of Texas

Member:

- Texas Bar Association, Administrative and Public Law and Litigation Sections
- Tarrant County Bar Association
- American Bar Association – State and Local Government and Environment, Energy and Resources Sections
- American Planning Association
- Institute for Local Government Studies of the Center for American and International Law
- Texas City Attorney Association

Awards, Publications & Presentations

- *Impact Enabling Legislation A New Approach to Exactions (Co-Author)*, Zoning and Planning Law Report, No. 11, Vol. 2, February, 1988.
- *How to Develop Use Impact Fees Successfully*, Institute on Planning, Zoning and Eminent Domain, 1988.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 4.

Meeting Date: 02/03/2020

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Site Plan and Variance Approval to Ordinance No. 2252, Article IV, Section 410 (2)(j) and (2)(g)(2) for a GlobiTech Power Generation Facility and Improvements with a 10' rear setback in lieu of the required 55.7' in the Blalock Industrial Park at 200 West F.M. 1417 (Heritage Parkway)

Issue:

Site plan and variance approval for Globitech Power Generation Facility and improvements with a 10' rear setback in lieu of the required 55.7'; GlobiTech, Inc., Owners; Jonathan Payne, Teague, Nall and Perkins, Engineers/Representative; and 3rd Generation Engineering, Engineers; in the Blalock Industrial Park at 200 West F.M. 1417 (Heritage Parkway)

Background:

The property is located at 200 West F.M. 1417 (Heritage Parkway), the southeast corner of F.M. 1417 (Heritage Parkway) and Howe Drive; GlobiTech is the tenant. The property is located in Tract 2 of the Blalock Industrial Park. This project is to improve the quality and reliability of the power system serving the GlobiTech Facility. During 2017, GlobiTech experienced fifteen utility outages and was told the utility had done everything they could to improve the reliability of the distribution feeders serving the facility. The generation equipment will be capable of operating in parallel with the utility or in island mode, disconnected from the utility. The equipment will be natural gas fueled engine generators and will operate less than 200 hours per year. The proposed layout has chain link fencing and a small portion of the spare transformer located within the setback area requiring a variance.

Origination:

GlobiTech Incorporated (Owners)

Jonathan Payne, Teague, Nall and Perkins (Engineers/Representative)

3rd Generation Engineering (Engineers)

Financial Consideration:

None

Staff Recommendation:

At the January 14, 2020 regular meeting, the Planning & Zoning Board voted 7/0 to recommend to the City Council that the site plan and variance be approved subject to the Staff Review Letter.

Alternatives:

None

Attachments

Aerial Location Map

Zoning Map

Zoning Sign Photo

Narrative

Aerial View of Project

Site Plan

Elevations Generator Building

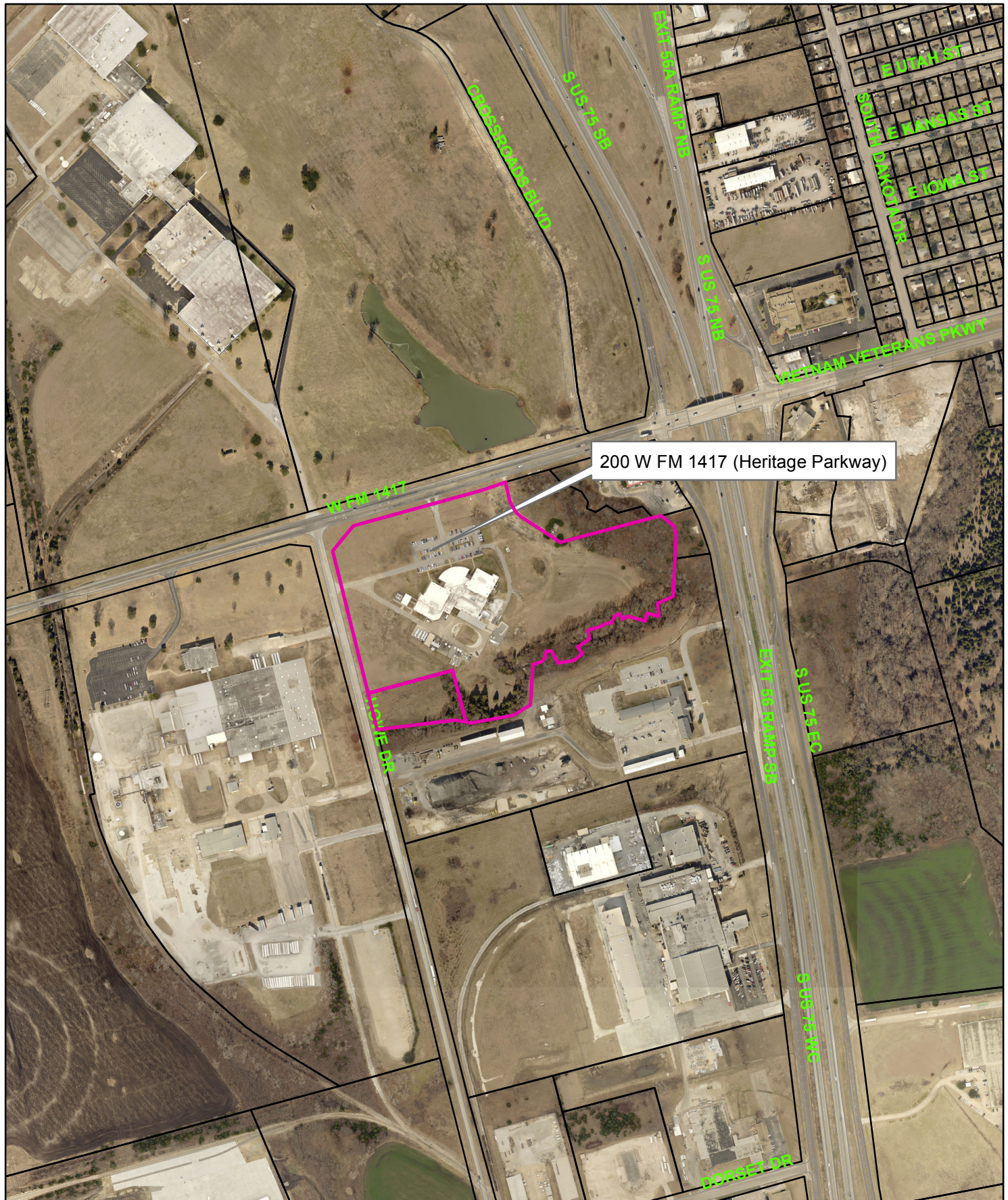
Elevations Control Building

Aerial of Screening

Staff Review Letter

P&Z Communication

Letter from William Harkinson



200 West FM 1417 (Heritage Parkway)



1 in = 600 ft



Zoning - 200 West FM 1417 (Heritage Parkway)

Legend

Special Districts Overlay

DISTRICT_NAME
Arts and Cultural District
Bialock Commercial Overlay District
Central Business District
College Park District
Downtown Overlay District
Historic Preservation District
Transportation Corridor

Representation: SpermGIS.DBO.TransportationCorridor_Rep_1

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

Zoning Districts

Representation: SpermGIS.DBO.ZoningDistrict_Rep

Unknown
BIIP Bialock Industrial Park
C-1 Retail Business District
C-2 General Commercial District

CO Office District
Lakes
M-1 Light Manufacturing District
M-1.5 Medium Manufacturing District
M-2 Heavy Manufacturing District
MH Manufacturing Housing District
R-1 One Family Residential District
R-2 Multi-Family Residential District
R-A Single Family Agricultural District
SF-1 Single Family Residential District
PD Planned Development



NOT TO SCALE

1 in = 500 ft

200 W. FM 1417 (Heritage Parkway)





www.tnpinc.com

engineers
surveyors
landscape architects

TEXAS
FORT WORTH
DENTON
ALLEN
SAN ANTONIO
CYPRESS
SUGAR LAND

GEORGIA
BLAIRSVILLE
ALBANY

To: Mr. Scott Shadden
City of Sherman
220 W. Mulberry Street
Sherman, TX 75090
RE: GlobiTech Power Reliability Improvements Site Plan Narrative and Variance Request
Date: December 19, 2019

Mr. Shadden,

Per the site plan submittal requirements of the City of Sherman, we have provided below the project narrative and variance request for the site plan submittal of the GlobiTech Power Generation site.

Project Narrative

This project is engineered to improve the quality and reliability of the power system serving the GlobiTech facility. During 2017 the facility experienced 15 utility outages and were told the utility had done everything they could to improve the reliability of the distribution feeders serving the facility. Electrical Midstream will replace the four existing 15kV distribution services with a single 138kV transmission service, install a 15/20 MVA, 138kV:12.47kV primary substation with adequate provisions for GlobiTech's projected growth. The substation shall be connected to a 12.47kV microgrid which will distribute power throughout the GlobiTech site and provide full facility back-up generation in case there is a utility outage. The microgrid and distributed generation equipment will be capable of operating in parallel with the utility or in island mode, disconnected from the utility. The distributed generation equipment will be natural gas fueled engine generators and will operate less than 200 hours per year.

Variance Request

On behalf and GlobiTech, we are requesting a variance to the Blalock Industrial Park zoning ordinance for the GlobiTech Power Reliability improvements. Our request for variance is with respect to Section 410.2.g.2. stating the 55.7-foot side yard setback requirement restricting buildings, fencing, equipment, etc. within the setback. Our proposed layout has chain link fencing, a concrete drainage flume, a concrete retaining wall, and a portion of a future electrical substation located within this setback area.

Due to site size constraints, the fencing, retaining wall, and concrete flume along the south side of the site encroaches within the setback area. The existing tree line along the south side of the property will act as screening for the proposed improvements. Adequate screening will be provided along Howe Drive.

Most of the electrical equipment has been located outside of the setback area but, due to site size constraints, a portion of the future substation will encroach approximately fourteen feet into the setback area. This substation will be located within the fenced area. Our proposed layout incorporates both chain link fencing, the existing tree line, and a living screen to screen the view of all equipment from Howe Drive.

The south setback area will not be needed for access to any buildings or other sites and is adequately screened by the existing tree line, therefore we are requesting a variance for these items.

See the attached Exhibit A & B for an aerial of the site location and view from Howe Drive. Exhibit C is the site plan.

Please feel free to contact me if you have any questions or need any additional information.

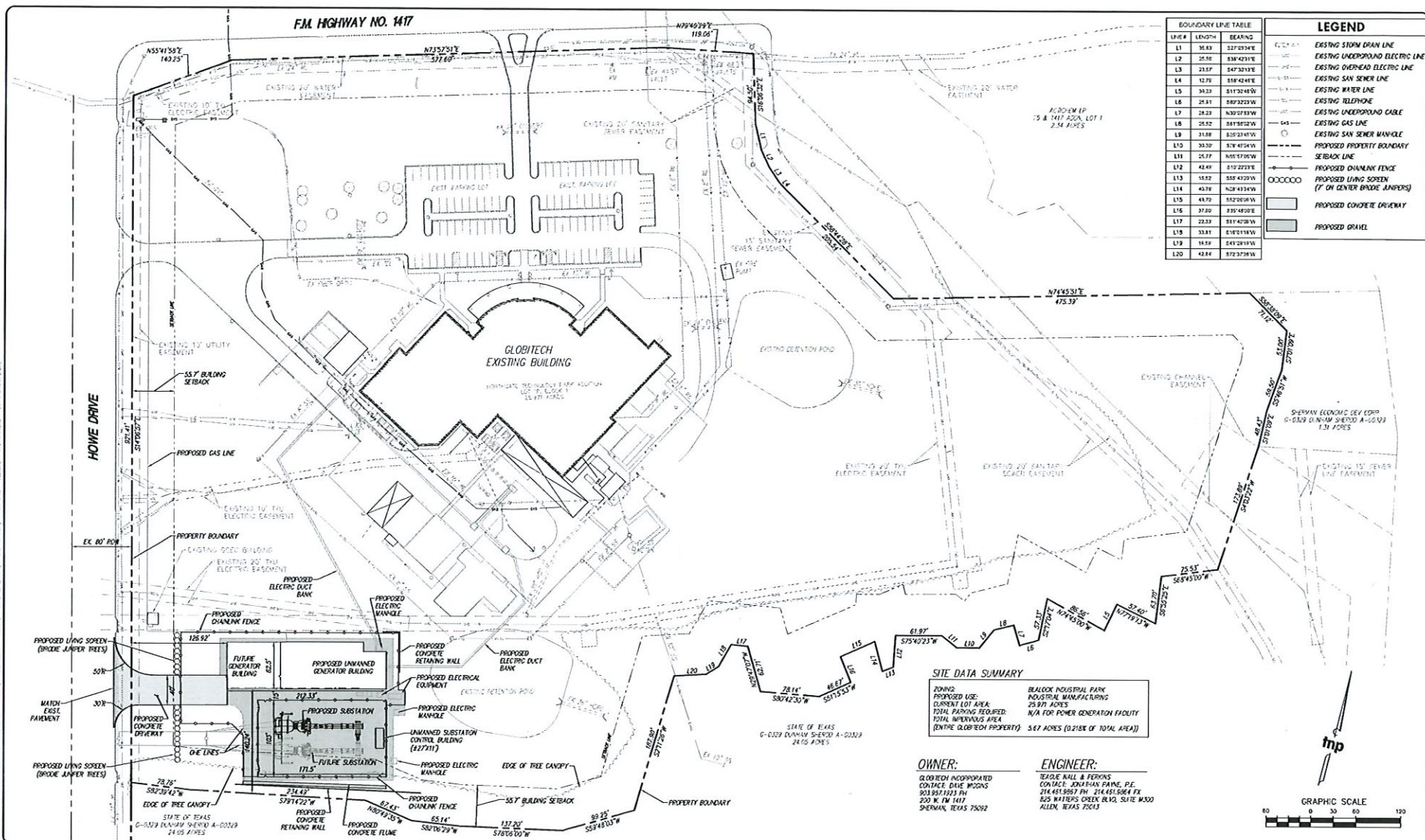
Jonathan Payne, P.E.
jpayne@tnpinc.com
214.461.9867

TNP Firm  Registrations

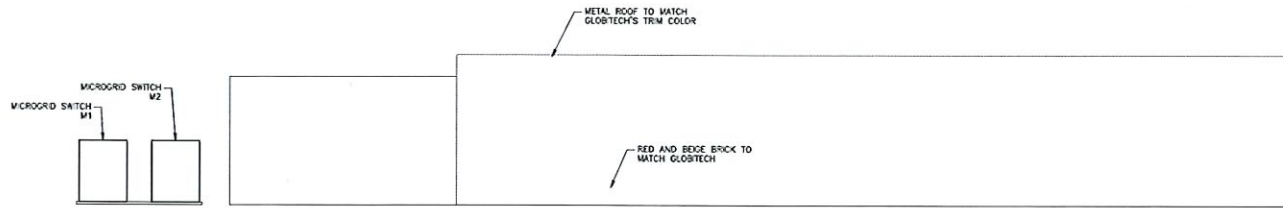
Texas Board of Professional Engineers, Firm No. F-230 | Georgia Board of Professional Engineers, Firm No. PEF007431
Texas Board of Professional Land Surveying, Firm No. 10011600 | 10194381 | 10011601
Texas Board of Architectural Examiners, Firm No. BR 2673

EXHIBIT A

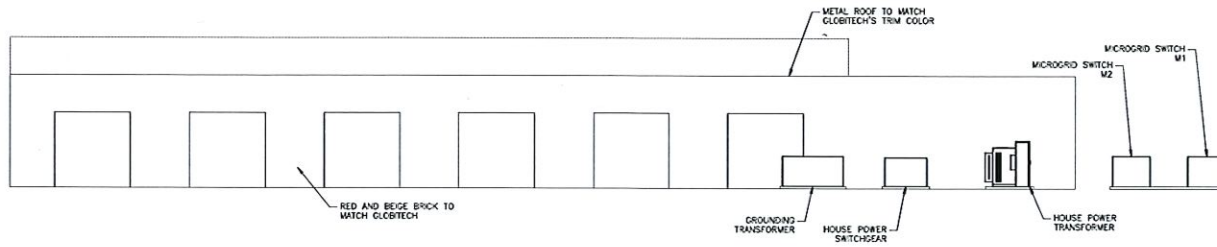




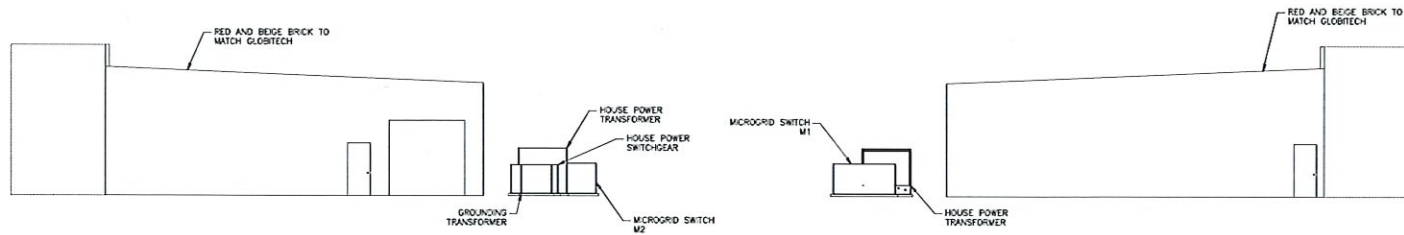
league nall and perkins, inc 825 Matters Creek Blvd., Suite M300 Allen, Texas 75013 214.451.9557 ph / 214.451.5864 fx www.lnp.com				scale when built 1"=60' N/A DEC 2019				This document is for interim review and is not intended for construction, bidding or permit purposes. Jonathan A. Payne, P.E. Date: DEC 2019 Tx. Reg. # 124784		City of Sherman, Texas Improvements for Power Reliability Improvements SITE PLAN		No. project T6118226 sheet 1
--	--	--	--	---	--	---	--	---	--	--	--	---



GENERATOR BUILDING
ELEVATION A
1/8" = 1'-0"



GENERATOR BUILDING
ELEVATION B
1/8" = 1'-0"



GENERATOR BUILDING
ELEVATION C
1/8" = 1'-0"

GENERATOR BUILDING
ELEVATION D
1/8" = 1'-0"

1/8" = 1'-0"

GENERAL NOTES:

1. REFER TO SHEET E-03-001 FOR ELECTRICAL SYMBOLS ABBREVIATIONS AND GENERAL NOTES.

KEYED NOTES:

- ① NOT USED

TX REG. #10622
1st GENERATION ENGINEERING
7920 BELT LINE ROAD, SUITE 591
DALLAS, TX 75254, (972) 387-8784

THIS DOCUMENT IS RELEASED FOR THE INTERIM REVIEW OF THE PROJECT. IT IS NOT TO BE USED FOR CONSTRUCTION PURPOSES.
P.E. 84447
D.E. 84447

REVISION

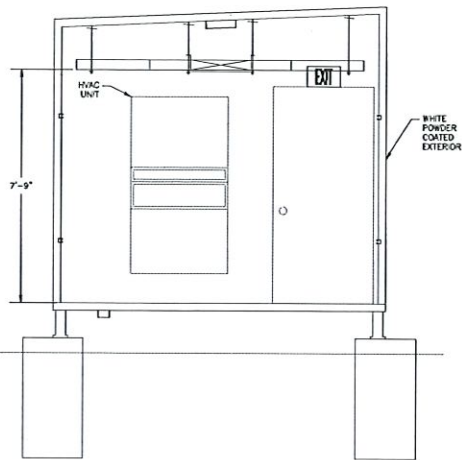
DATE

NO.

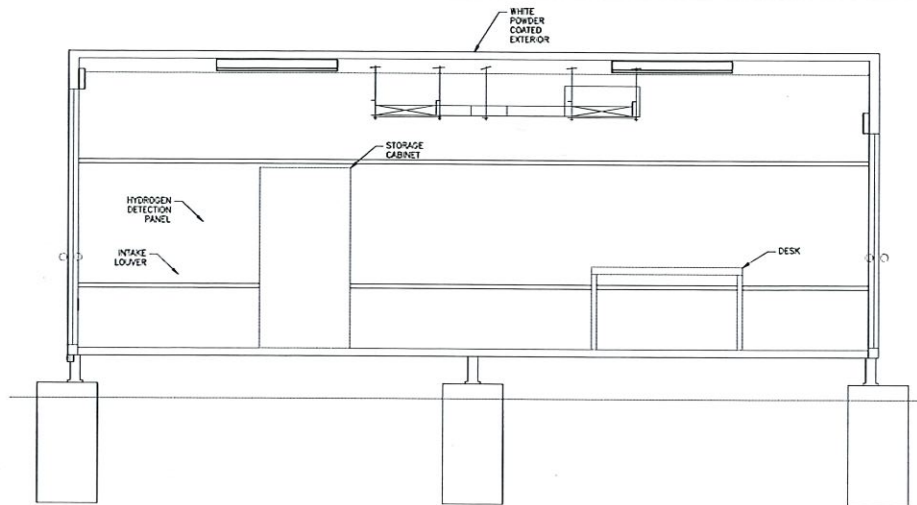
POWER RELIABILITY IMPROVEMENTS
GENERATOR BUILDING
EXTERNAL ELEVATIONS

DATE: 05/05/2020
DESIGNED BY: JRC
DRAWN BY: ---
APPROVED BY: ---
SHEET 27 OF 000

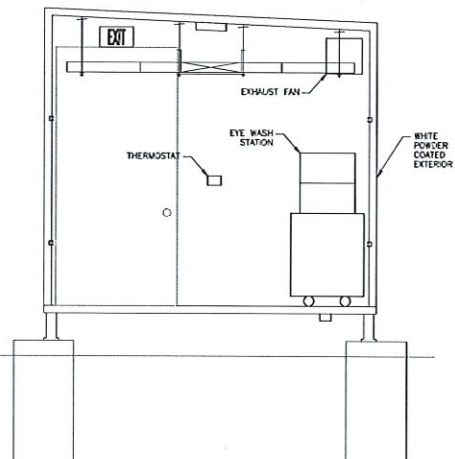
E-23-102



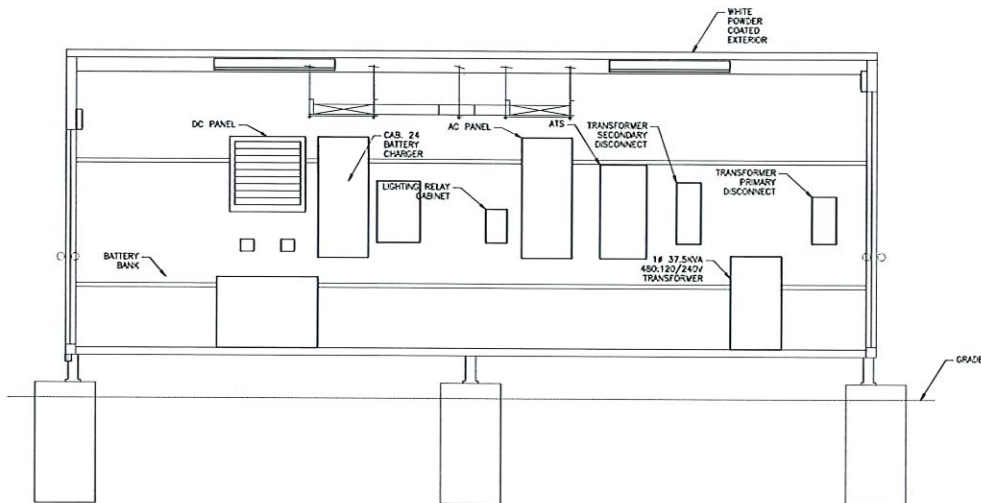
SUBSTATION CONTROL BUILDING
ELEVATION C
1/2" = 1'-0"



SUBSTATION CONTROL BUILDING
ELEVATION D
1/2" = 1'-0"



SUBSTATION CONTROL BUILDING
ELEVATION A
1/2" = 1'-0"



SUBSTATION CONTROL BUILDING
ELEVATION B
1/2" = 1'-0"

GENERAL NOTES:

1. REFER TO SHEET E-03-001 FOR ELECTRICAL SYMBOLS ABBREVIATIONS AND GENERAL NOTES.

KEYED NOTES:

- (1) NOT USED

TX REG. #0822
3rd GENERATION ENGINEERING
7920 BELT LINE ROAD, SUITE 391
DALLAS, TX 75254 (972) 387-3784

THIS DOCUMENT IS
RELEASED FOR THE
INTERIOR REVIEW OF
UNLESS OTHERWISE
NOTED. IT IS NOT TO BE USED
FOR CONSTRUCTION PURPOSES.

REVISION	DATE	NO.

POWER RELIABILITY IMPROVEMENTS
CONTROL BUILDING ELEVATIONS
JOB NUMBER: 070001

DATE: 02/02/2000	DESIGNED BY:	DRAWN BY:	APPROVED BY:

SHEET 18 OF 000
E-23-002

1/2" = 1'-0"
0 1 2

EXHIBIT B



Living screen along setback line would provide screening from Howe Drive.

South fencing would be on the other side of this tree line and would not be visible from Howe Drive.

STAFF REVIEW LETTER

January 7, 2020

Globitech Incorporated
200 W. FM 1417 (Heritage Parkway)
Sherman, TX 75092

3rd Generation Engineering
7920 Belt Line Road, Ste. 591
Dallas, TX 75254

TNP, Inc.
Jonathan Payne
825 Watters Creek Blvd., Ste. M300
Allen, TX 75013

Dear Applicants,

The request for site plan and variance approval for a Globitech Power Generation Facility and improvements with a 10' rear setback in lieu of the required 55.7' in the Blalock Industrial Park for the property located at 200 West FM 1417 (Heritage Parkway) has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, January 14, 2020 at 5:00 P.M., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

Zoning:

1. All aspects of the Blalock Industrial Park Ordinance must be followed.
2. Fire access, lanes and codes shall be coordinated with the Fire Marshal (903-892-7267).
3. All parking shall be on private property and shall not encroach into Howe Drive or FM 1417 (Heritage Parkway) right-of-way.
4. Parking and service driveways are permitted on paved surfaces only; concrete or asphalt.
5. A parking space is considered to be 9'x20'.
6. No structures shall be built over any easements unless an encroachment easement is approved by the City Council.
7. Shall comply with all EPA, City, Federal and State regulations for this use.
8. Review the zoning and development ordinance for additional requirements.
9. Site plan approval is valid for a period of one year, if progress has not been made within that time period; resubmission to the Planning & Zoning Commission is required.

Engineering:

10. New drive approaches must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
11. Privately owned and maintained detention in accordance with city criteria is required. Engineering plans shall be provided to City of Sherman Engineering Department for review and approval.

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

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

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

Respectfully,



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

CC: Robby Hefton, City Manager
Mark Gibson, Director of Utilities
Clint Philpott, P.E., Director of Engineering
Amber Doan, Engineering Coordinator

Billy Hartsfield, Fire Marshal
Brandon Shelby, City Attorney
Steve Ayers, Asst. City Manager



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

Agenda Item No. 11.

Meeting Date: 01/14/2020

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

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

200 W. FM 1417 (HERITAGE PARKWAY)

The request of GlobiTech Incorporated (Owners), Jonathan Payne, Teague, Nall and Perkins (Engineers/Representative) and 3rd Generation Engineering (Engineers) concerning the property located at 200 West F.M. 1417 (Heritage Parkway), being Lot 1R, Block 1 of the Replat of Northgate Technology Park Addition and in Tract 2 of the Blalock Industrial Park, as follows:

Planning and Zoning Commission

Site plan and variance approval to Ordinance No. 2252 Article IV Section 410 (2) (j) and (2)(g)(2) for a Globitech Power Generation Facility and improvements with a 10' rear setback in lieu of the required 55.7' in the Blalock Industrial Park.

Background:

The property is located at 200 West FM 1417 (Heritage Parkway), the southeast corner of FM 1417 (Heritage Parkway) and Howe Drive; GlobiTech is the tenant. The property is located in Tract 2 of the Blalock Industrial Park. This project is to improve the quality and reliability of the power system serving the GlobiTech Facility. During 2017, GlobiTech experienced 15 utility outages and were told the utility had done everything they could to improve the reliability of the distribution feeders serving the facility. The generation equipment will be capable of operating in parallel with the utility or in island mode, disconnected from the utility. The equipment will be natural gas fueled engine generators and will operate less than 200 hours per year. The proposed layout has chain link fencing and a small portion of the spare transformer located within the setback area requiring a variance.

Adjacent Zoning:

Blalock Industrial Park

Origination:

GlobiTech Incorporated (Owners)

Jonathan Payne, Teague, Nall and Perkins (Engineers/Representative)

3rd Generation Engineering (Engineers)

Master Plan Designation:

Business Park and Research – Business Park designation allows for compatibility with the use of the roadway and rail system for frequent truck and rail traffic. Industrial and office uses are the most appropriate and compatible land uses adjacent to a truck route and the state road and/or rail system. Typical tenants of a business park and research center include light industrial manufacturing, wholesaling, warehouse facilities, light assembly plants, research and development firms and distribution centers.

Number of notices mailed:

40

Objections Received:

0

Attachments

Location Map
Zoning Map
Zoning Sign Photo
Narrative
Aerial View of Project
Site Plan
Elevations Generator Bldg
Elevations Control Bldg
Aerial of Screening
Staff Review Letter

H A R K I N S O N
I N V E S T M E N T
C O R P O R A T I O N

RECEIVED
JAN 14 2020

January 8, 2020

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

Re: Application by GlobiTech Incorporated for Variance of Setback Requirement

Dear Mr. Shadden,

Thank you for your notice to Sherman Crossroads, Ltd. regarding the request by GlobiTech Incorporated for site plan approval and a variance to the Ordinance governing the Blalock Overlay Zoning District to reduce the required 55.7' rear setback to 10' for GlobiTech's planned Power Generation Facility.

As you know, Sherman Crossroads is an approximately 130-acre, mixed use commercial development located across FM 1417 from GlobiTech. We have found GlobiTech to be a very compatible and cooperative neighbor to our project. We see no adverse impact to us whatsoever from this planned use and would enthusiastically support their request for the reduction of the rear setback requirement from the required 55.7 feet to the requested 10'.

Sincerely,



William J. Harkinson
President
Managing Agent for Sherman Crossroads, Ltd.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

E. 5.

Meeting Date: 02/03/2020

Prepared By: Scott Shadden, Director of Developmental Services

Approved By: Robby Hefton, City Manager

Caption:

*** OTHER BUSINESS**

Replat Approval of Bluebonnet Petz Addition, being a Replat of all of Lots 8 & 9, Block 1 of the Preston Meadows Subdivision in the City of Sherman's Extra Territorial Jurisdiction (ETJ); being all of Lots 8 & 9, Block 1, Preston Meadows Subdivision, containing 2.926 acres in the Robert Atchison Survey, Abstract No. 28; Matthew Petz, Owner, and CBG Surveying Texas, LLC, Surveyor (59 and 101 Bluebonnet Lane)

Issue:

To consider Replat Approval of Bluebonnet Petz Addition, being a Replat of all of Lots 8 & 9, Block 1 of the Preston Meadows Subdivision in the City of Sherman's Extra Territorial Jurisdiction (ETJ); being all of Lots 8 & 9, Block 1, Preston Meadows Subdivision, containing 2.926 acres in the Robert Atchison Survey, Abstract No. 28; Matthew Petz, Owner; and CBG Surveying Texas, LLC, Surveyor, located at 59 and 101 Bluebonnet Lane

Background:

The property is located at 59 and 101 Bluebonnet Lane, east of State Highway 289 and south of Highway 56, in the City of Sherman's ETJ. The owner recently purchased the property next door to his; and he would like to move the lot lines enlarging one of the lots.

Origination:

Matthew Petz (Owner)

CBG Surveying Texas, LLC (Surveyor)

Financial Consideration:

None

Staff Recommendation:

At the January 14, 2020 regular meeting, the Planning and Zoning Board voted unanimously to recommend to the City Council that the Replat be approved subject to the Staff Review Letter.

Alternatives:

None

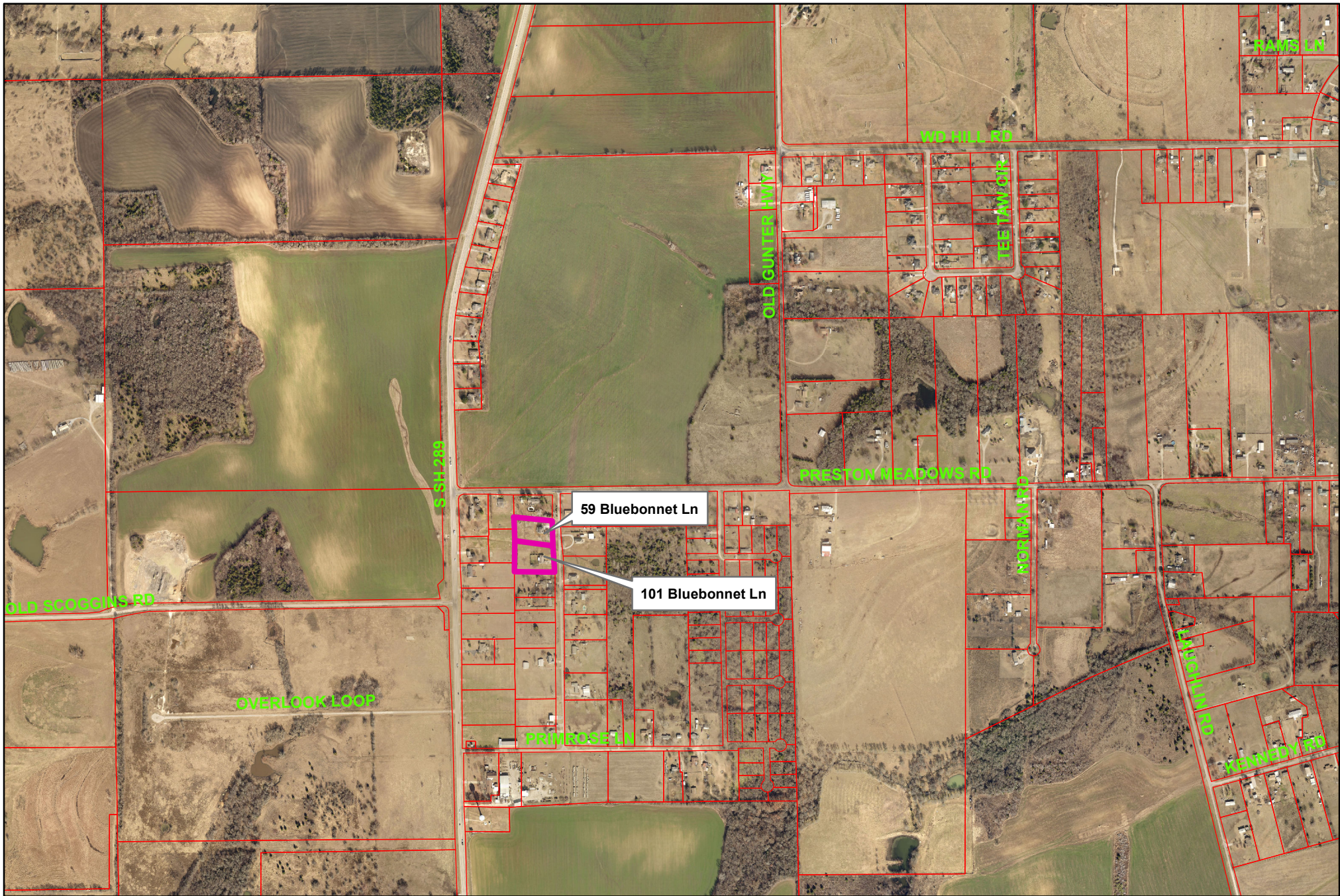
Attachments

Aerial Location Map

Bluebonnet Petz Addition

Staff Review Letter

P&Z Communication



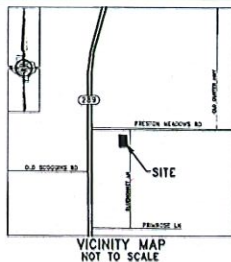
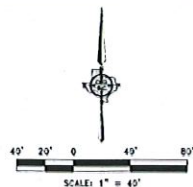
City of Sherman, Texas
Developmental Services Department

59 & 101 Bluebonnet Lane (ETJ)



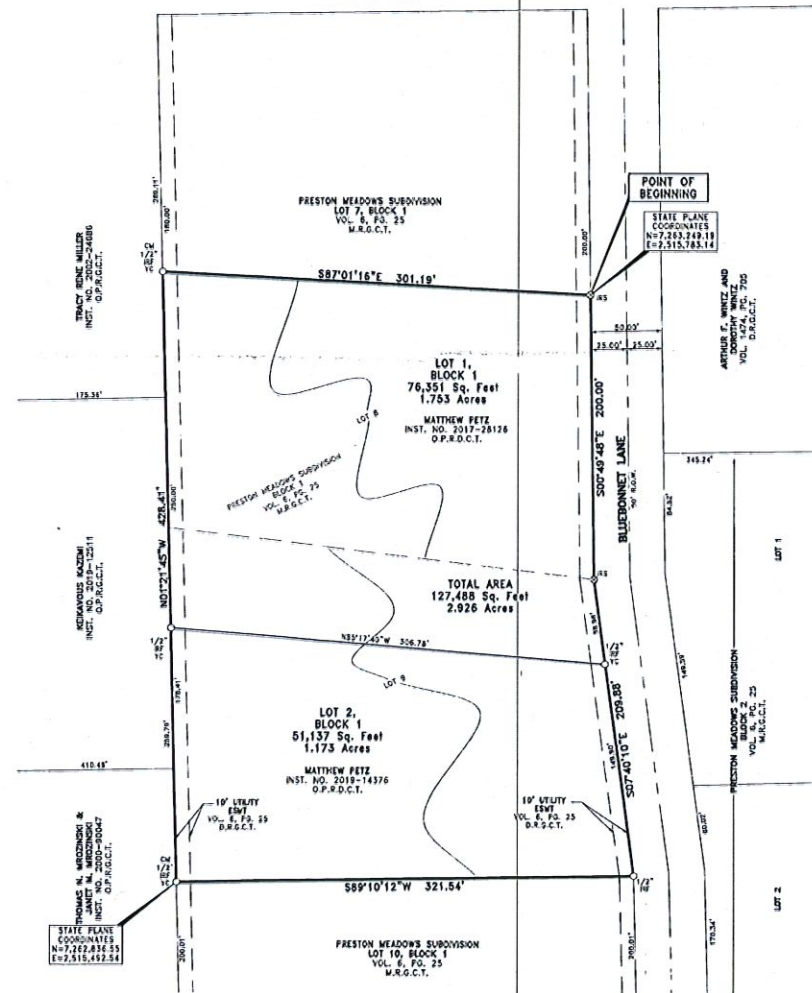
NOT TO SCALE

1 in = 1,000 ft



VICINITY MAP
NOT TO SCALE

PRESTON MEADOWS ROAD



OWNER'S CERTIFICATE

STATE OF TEXAS
COUNTY OF GRAYSON

WHEREAS, Matthew Petz, is the sole owner of a tract of land situated in the Robert Atchison Survey, Abstract Number 28, Grayson County, Texas, same being all of Lots 8 and 9, Block 1, of the Preston Meadows Subdivision, an addition to the City of Sherman, Grayson County, Texas, according to the Plat thereof recorded in Volume 6, Page 25, Map Records, Grayson County, Texas, same being all of that tract of land conveyed to Matthew Petz, by General Warranty Deed with Vendor's Lien recorded in Instrument Number 2017-28126 (Lot 8), Official Public Records, Grayson County, Texas, and by General Warranty Deed recorded in Instrument Number 2018-14376 (Lot 9), Official Public Records, Grayson County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING of a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" set for corner, said corner being the Southeast corner of Lot 7, Block 1, of said Preston Meadows Subdivision, same being the West Right-of-Way line of Bluebonnet Lane (55 feet Right-of-Way);

THENCE along the West Right-of-Way line of said Bluebonnet Lane, the following bearing and distances:

South 60 degrees 49 minutes 49 seconds East, a distance of 200.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" set for corner;

South 67 degrees 40 minutes 10 seconds East, passing by a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" found for witness at a distance of 58.95 feet and continuing for a total distance of 209.88 feet to a 1/2 inch iron rod found for corner, said corner being the West Right-of-Way line of said Bluebonnet Lane, same being the Northeast corner of Lot 10, Block 1, of said Preston Meadows Subdivision;

THENCE South 89 degrees 10 minutes 12 seconds West, along the North line of said Lot 10, a distance of 321.54 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" found for witness at a distance of 178.41 feet, same going along the West line of a tract of land conveyed to Tracy Rene Miller recorded in Instrument Number 2002-24486, Official Public Records, Grayson County, Texas, and continuing for a total distance of 428.41 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" found for corner, said corner being on the West line of said Tracy Rene Miller tract, same being the Southwest corner of said Lot 7;

THENCE North 01 degrees 21 minutes 45 seconds West, along the East line of said Thomas N. Mrozinski and Janet M. Mrozinski tract, and along the West line of a tract of land conveyed to Kellogg Kozani recorded in Instrument Number 2018-12511, Official Public Records, Grayson County, Texas, passing by a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" found for witness at a distance of 178.41 feet, same going along the West line of a tract of land conveyed to Tracy Rene Miller recorded in Instrument Number 2002-24486, Official Public Records, Grayson County, Texas, and continuing for a total distance of 428.41 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "CBG Surveying" found for corner, said corner being on the West line of said Tracy Rene Miller tract, same being the Southwest corner of said Lot 7;

THENCE South 87 degrees 01 minutes 16 seconds East, along the South line of said Lot 7, a distance of 301.19 feet to the POINT OF BEGINNING and containing 127,488 square feet or 2.926 acres of land.

LEGEND:

CM	CONTROLLING MONUMENT
IRF	IRON ROD FOUND
IRF YC	1/2 INCH IRON ROD FOUND WITH A PLASTIC YELLOW CAP STAMPED "CBG SURVEYING"
IRS	1/2 INCH IRON ROD SET WITH A PLASTIC YELLOW CAP STAMPED "CBG SURVEYING"
ESMT.	EASEMENT
VOL.	VOLUME
PAGE	PAGE
INST. NO.	INSTRUMENT NUMBER
SQ. FT.	SQUARE FEET
R.O.W.	RIGHT-OF-WAY
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS
M.R.G.C.T.	MAP RECORDS, GRAYSON COUNTY, TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS, GRAYSON COUNTY, TEXAS

GENERAL NOTES

- 1) BEARINGS SHOWN ARE BASED ON THE STATE PLANE COORDINATE SYSTEM, TEXAS NORTH CENTRAL ZONE, NAD 83 (2011).
- 2) THE PURPOSE OF THIS PLAT IS TO CREATE 2 LOTS FROM TWO PLATTED LOTS.
- 3) LOT TO LOT DRAINAGE WILL NOT BE ALLOWED WITHOUT ENGINEERING SECTION APPROVAL.
- 4) ANY STRUCTURE NEW OR EXISTING MAY NOT EXTEND ACROSS NEW PROPERTY LINES.
- 5) COORDINATES SHOWN HEREON ARE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983 ON GRID COORDINATE VALUES, NO SCALE AND NO PROJECTION.

OWNER'S DECLARATION

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That, Matthew Petz, does hereby accept this plat, designating the herein described property as BLUEBONNET PETZ ADDITION, an addition to the City of Sherman, Grayson County, Texas, and do hereby dedicate, in fee simple, to the public use forever any streets, alleys, and floodway management areas shown thereon. The easements shown thereon are hereby reserved for the purposes indicated. The utility and fire line easements shall be open to the public, fire and police units, garbage and rubbish collection agencies, and all public and private utilities for each particular use. The maintenance of paving on the utility and fire line easements is the responsibility of the property owner. No buildings, fences, trees, shrubs, or other improvements or growths shall be constructed, reconstructed or placed upon, over or across the easements as shown. Said easements being hereby reserved for the mutual use and accommodation of all public utilities using or desiring to use same. And, any public utility shall have the right to remove and keep removed all or parts of any building, fences, trees, shrubs, or other improvements or growths which in any way may endanger or interfere with the construction, maintenance or efficiency of its respective system on the easements, and all public utilities shall of all time have the full right of ingress and egress to or from the said easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or parts of its respective systems without the necessity of any time of procuring the permission of anyone. (Any public utility shall have the right of ingress and egress to private property for the purpose of reading meters and any maintenance or service required or ordinarily performed by that utility).

Water main and wastewater easements shall also include additional area of working space for construction and maintenance of the systems. Additional easement area is also conveyed for installation and maintenance of manholes, cleanouts, fire hydrants, water services and wastewater services from the main to the curb or pavement line, and description of such additional easements herein granted shall be determined by their location as installed.

This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of Sherman.

WITNESS, my hand at Sherman, Texas, this the _____ day of _____, 2020.

BY: Matthew Petz

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Matthew Petz known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose therein expressed and under oath stated that the statements in the foregoing certificate are true.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2020.

Notary Public in and for the State of Texas

My commission expires:

SURVEYOR'S STATEMENT

I, Bryan Connolly, a Registered Professional Land Surveyor, licensed by the State of Texas, affirm that this plat was prepared under my direct supervision, from recorded documentation, evidence collected on the ground during field operations and other reliable documentation; and that this plat substantially complies with the Rules and Regulations of the Texas Board of Professional Land Surveying, the City of Dallas Development Code (Ordinance No. 19455, as amended), and Texas Local Government Code, Chapter 215. I further affirm that monumentation shown hereon was either found or placed in compliance with the City of Dallas Development Code, Sec. 51A-8.617 (a)(3)(c)(d) & (e); and that the digital drawing file accompanying this plat is a precise representation of this Signed Final Plat.

Dated this _____ day of _____, 2020.

RELEASED FOR REVIEW 12/19/2018 PRELIMINARY. THIS DOCUMENT SHALL

NOT BE RECORDED FOR ANY PURPOSES AND SHALL NOT BE USED ON

YET/ED OR SELL/ED UPON AS A FINAL SURVEY DOCUMENT.

Bryan Connolly, Texas Registered Professional Land Surveyor No. 5513

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Bryan Connolly known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose therein expressed and under oath stated that the statements in the foregoing certificate are true.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2020.

Notary Public in and for the State of Texas

My commission expires:

REPLAT
BLUEBONNET PETZ ADDITION
LOT 1 AND LOT 2, BLOCK 1
127,488 SQ.FT. / 2.926 ACRES

BEING A REPLAT OF ALL OF
LOT 8 AND LOT 9, BLOCK 1,
OF THE PRESTON MEADOWS SUBDIVISION,
ROBERT ATCHISON SURVEY, ABSTRACT NO. 28
CITY OF SHERMAN, GRAYSON COUNTY, TEXAS



OWNER: MATTHEW PETZ
58 BLUEBONNET LANE
SHERMAN, TX 75091
PHONE: 202-227-8241
EMAIL: MATTHEW@CBGTX.COM

SCALE: 1"=40' / DATE: DECEMBER 16, 2018 / JOB NO.: 181013 / DRAWN BY: 19



STAFF REVIEW LETTER

January 7, 2020

Matthew Petz
59 Bluebonnet Lane
Sherman, TX 75092

CBG Surveying Texas, LLC
12025 Shiloh Road, Suite 230
Dallas, TX 75228

Dear Applicants,

The request for approval of the Final Plat for Bluebonnet Petz Addition has been scheduled to be heard by the Planning and Zoning Board on the day of Tuesday, January 14, 2020 at 5:00 p.m., in the City Council Chambers, City Hall at 220 W. Mulberry.

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

1. Letters from various utility providers are required verifying availability of service and when service will be available.
2. Original tax certificates with \$0.00 balance shall be furnished for the purpose of recording the plat.
3. Drive approaches and sidewalks must conform to City of Sherman standards and a permit is required from City of Sherman Engineering Department.
4. Remove building line.
5. Require 10' Utility Easement along street frontage on Knollwood Road and Hilre Drive.
6. All requirements of the Floodplain Ordinance must be followed.
7. The width of the right-of-way and pavement for streets shall be shown on the plat.
8. Metes and bounds must match drawing.
9. Coordinate with Engineering on Drainage Easement along Hilre Drive.
10. Privately owned and maintained detention in accordance with City criteria is required. Engineering plans shall be provided to the City of Sherman Engineering Department for review and approval.
11. Any other changes made to the plat prior to the final fulfillment of the conditions of the staff review, must be considered minor by staff, as to not require resubmission to the Planning & Zoning Commission.
12. 1 Mylar and 3 paper copies must be submitted in 24"x36" size for recording. Both mylar and paper copies must be split, but not cut, to be 2-24"x18" pages per Grayson County requirements. 1 page must have the legal description (preferably in portrait layout) and the other page must have the image. Both mylar and paper copies must look the same. Both split pages must include the Subdivision Name block and page numbers. Submit digital image to the Engineering department for approval prior to printing mylars and paper copy. CAD file must be submitted digitally at time of final approval.

The Board will not consider a request unless it has representation. You are hereby notified to be present, either in person or by a legally authorized representative to present your case on the date and time stated above.

If additional information or clarification is needed, do not hesitate to contact Clint Philpott, at 903-892-7327 prior to the meeting.

Respectfully,



Clint A. Philpott, P.E.,
Director of Engineering

cc: Robby Hefton, City Manager
Brandon Shelby, City Attorney
Billy Hartsfield, Fire Marshal

Scott Shadden, Director of Development Services
Mark Gibson, Director of Utilities
Clint Philpott, Assistant City Manager



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

Agenda Item No. 10.

Meeting Date: 01/14/2020

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

Clay Mahone, Chairman

Eric Elliott, Vice Chairman

Shawn Davis, Commissioner

David Downtain, Commissioner

Trish Wood, Commissioner

Leigh Ann Sims, Commissioner

Paul Manley, Commissioner

Requested Action/Proposed Use:

*** 59 AND 101 BLUEBONNET LANE**

The request of Matthew Petz (Owner) and CBG Surveying Texas, LLC (Surveyor) concerning the property at 59 and 101 Bluebonnet Lane, being all of Lots 8 & 9, Block 1, Preston Meadows Subdivision, containing 2.926 acres in the Robert Atchison Survey, Abstract No. 28 as follows:

Planning and Zoning Commission

Replat approval Bluebonnet Petz Addition, being a Replat of all of Lots 8 & 9, Block 1 of the Preston Meadows Subdivision in the City of Sherman's Extra Territorial Jurisdiction (ETJ).

Background:

The property is located at 59 and 101 Bluebonnet Lane near State Highway 289 west of Highway 56 in the City of Sherman's Extra Territorial Jurisdiction. The owner recently purchased the property next door to his and he would like to move the lot lines enlarging one of the lots.

Adjacent Zoning:

Outside City

Origination:

Matthew Petz (Owner)

CBG Surveying Texas, LLC (Surveyor)

Master Plan Designation:

Was not included in the Master Plan

Number of notices mailed:

Outside City.

Objections Received:

0

Attachments

Location Map

Bluebonnet Petz Addition

Staff Review Letter



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

G. 1.

Meeting Date: 02/03/2020

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

(a) Parks and Recreation Advisory Board (3)

Issue:

Michael Waitt and Ben Crouse's terms on the Parks and Recreation Advisory Board expired on November 17, 2019; and Michael Kelly's term expired on December 19, 2019. Ben Crouse has moved outside the City limits and is no longer eligible to serve on the board. Ordinance No. 3181 states that members must reside within the corporate limits of the City of Sherman to serve on this board. Michael Waitt and Michael Kelly are eligible and do wish to be reappointed. We also have an application from Michelle Casey.

Background:

The Parks and Recreation Advisory Board advises the City Council on long-range planning and the implementation of programs and activities conducted by the Parks and Recreation Department.

Origination:

The appointments originated with the City Clerk's Office.

Financial Consideration:

There is no financial consideration.

Staff Recommendation:

The staff recommends that Mr. Waitt and Mr. Kelly be reappointed and that Ms. Casey be appointed to the Parks and Recreation Advisory Board.

Alternatives:

The alternative is to delay appointments to the Board.

Attachments

Roster

Fact Sheet

Applicant List

Michael Waitt Reappointment Letter

Michael Kelly Reappointment Letter

Michelle Casey Application

MEMBERSHIP ROSTER

PARKS & RECREATION BOARD

LENGTH OF TERMS: TWO YEARS

Ord. 4112 Consecutive Term Limit (3)*effective 7/24/89

MEMBER	DISTRICT	TERM BEGINS	TERM EXPIRES	TERMS	MEMBERSHIP REQUIREMENTS
Brian Jones	1	A 5/19/2015	5/19/2017	1	
		R 5/19/2017	5/19/2019	2	
		R 5/19/2019	5/19/2021	3	
Amanda Phillips	1	A 3/21/2017	3/21/2019	1	
		R 3/21/2019	3/21/2021	2	
Brantley Blackburn	n/a	A 5/8/2018	5/8/2020	1	
Shane Martin	4	A 5/8/2018	5/8/2020	1	
Michael Kelly	1	A 12/19/2017	12/19/2019	1	
Michael Waitt	1	A 11/17/2015	11/17/2017	1	
		R 11/17/2017	11/17/2019	2	
Ben Crouse	1	A 11/17/2015	11/17/2017	1	
		R 11/17/2017	11/17/2019	2	

NOTE:

Chair:

Vice Chair:

FACT SHEET

PARKS AND RECREATION BOARD

Established by ORDINANCE 3181 – MARCH 28, 1977

1. Number of Members: SEVEN (7)
2. Term of Appointment: TWO (2) YEARS
3. Consecutive Term Rule: THREE (3) TERMS – ORDINANCE 4112 (7/24/89)
4. Qualifications for Membership: INTEREST IN PROGRAMS AND ACTIVITIES CONDUCTED BY PARKS AND RECREATION DEPARTMENT. A STUDENT OF SHERMAN HIGH SCHOOL DESIGNATED BY STUDENT COUNCIL, AND THE DIRECTOR OF PARKS AND RECREATION SHALL BE EX-OFFICIO, NON-VOTING MEMBERS
5. Appointed by: MAYOR AND CITY COUNCIL
6. Board Organization
CHAIRPERSON E VICE CHAIRPERSON SECRETARY A
ELECTED APPOINTED
7. Departmental Responsibility: PARKS AND RECREATION DEPARTMENT
8. Meeting Date: FIRST WEDNESDAY OF EACH MONTH
9. Attendance Requirements: WILL FORFEIT SEAT BY MISSING 3 CONSECUTIVE MEETING WITHOUT GOOD CAUSE

=====

PURPOSE:

To assist in long-range planning and implementation of programs and activities conducted by the Parks and Recreation Department.

RESPONSIBILITIES:

Advise concerning future development; to study and make recommendations concerning additional park land or sites; and to recommend means for maximum utilization of facilities.

APPLICANT LIST

Parks and Recreation Advisory Board

Positions Vacant 3

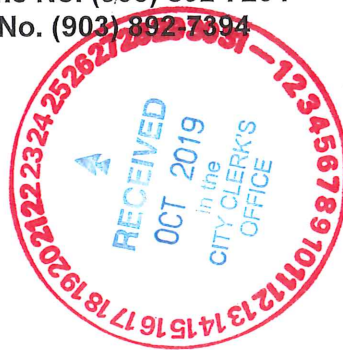
Applicant	Address	District	Qualifications
Michael Waitt	706 W. Pelton	1	Current Member; Wishes to be Reappointed
Michael Kelly	1211 N. Woods	1	Current Member; Wishes to be Reappointed
Michelle Casey	1401 McCall	3	Self-Employed

COMMENTS:

PUBLIC RECORDS DEPARTMENT

Phone No. (903) 892-7204

Fax No. (903) 892-7394



October 17, 2019

Michael Waitt
706 W. Pelton
Sherman, Texas 75092

RE: Parks and Recreation Advisory Board

Dear Mr. Waitt:

Your term on the Parks and Recreation Advisory Board expires on November 17, 2019. 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: Theresa Hutchinson, Parks and Recreation Manager

X

I do wish to be considered for reappointment to this board

I do not wish to be considered for reappointment to this board

[Signature]
Signature

10/19/19
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

January 14, 2020

Michael Kelly
1211 N. Woods
Sherman, Texas 75092

RE: Parks and Recreation Advisory Board

Dear Mr. Kelly:

Your term on the Parks and Recreation Advisory Board expired on December 19, 2019. 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
City Clerk

cc: Theresa Hutchinson, Parks and Recreation Manager

_____ I do wish to be considered for reappointment to this board

_____ I do not wish to be considered for reappointment to this board

Signature

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

January 14, 2020

Michael Kelly
1211 N. Woods
Sherman, Texas 75092



RE: Parks and Recreation Advisory Board

Dear Mr. Kelly:

Your term on the Parks and Recreation Advisory Board expired on December 19, 2019. 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: Theresa Hutchinson, Parks and Recreation Manager

☒

I do wish to be considered for reappointment to this board

☐

I do not wish to be considered for reappointment to this board

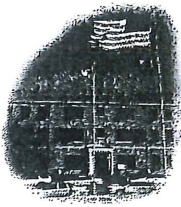
Michael Kelly

Signature

1/27/20

Date

Please return to: City of Sherman
City Clerk's Office
P.O. Box 1106
Sherman, Texas 75091-1106



CITY OF SHERMAN APPLICATION FOR BOARD OR COMMISSION MEMBERSHIP



Return completed application to:

City Clerk's Office
220 W. Mulberry
P.O. Box 1106
Sherman, TX 75091
Fax: (903) 892-7394

Please type or use black ink

Please complete one application for each board or commission membership

Please limit attachments to two pages

For questions or additional information, call the City Clerk's Office, (903) 892-7206

Name:

Veatrice michelle casey (michelle casey)

(Please print legal name and your name as you wish it to appear, if different.)

Name of Board
or Commission:

PARKS & recreation

☒ Yes, I would be interested in serving on subcommittees that may be formed.

Personal Information

Home Address: 1401 McCall
Mailing Address: (same)
Telephone: 903.487.9558 Fax: (same)
E-Mail: mcasey@live.com
Sherman Resident for life years County: Grayson
Drivers License No.: 052176416
Voter Registration No.: 1025097577 ✓

Occupational Information

Business Name: Self
Occupation: cleaning
Address: (same as home)
Telephone: 11 Fax: 11
E-Mail: 11

Which Council District do you live in? (see attached map) 3 ✓

Prior work experience: (please include dates)

Administrative, customer service, retail, Accounting, operations clerk

Educational Achievement:

High School Graduate? ☒ Yes ☐ No Year Graduated/Left School? 1982

Business College, Correspondence School, Adult Education, Other?

Name of College/University: Grayson College/Asht Bachelor's ☐ Master's ☐ PhD

Volunteer Work: (please include dates)

Associates, Business Cert. & 2020 Bachelors
community, church, meals on wheels, after school backpacks, Denison,

Have you ever been convicted of a crime (except for minor traffic offenses that resulted only in a fine)? ☐ Yes ☒ No

If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider to be relevant.

Taxes - Current

Application held for 12 months from date received

Are you presently serving on a City board or commission? ☐ Yes ☒ No

If so, which one? _____

Why do you want to become a member of this particular board or commission (how would you use this experience to benefit the City)?

experience, community exposure, learn our city govt systems & processes, contribute, learn

Briefly explain what you believe are the three most important issues facing this board or commission and how you believe this board or commission should address each issue?

1) Best Issues: Understanding we (Sherman) have up & coming parks considering diversity, culture & gender input in the planning for our city parks. The amenities, features & focus that will best benefit our community and families.

2) Community Interest & Best Practices: It is exciting to watch our city develop these projects. It is projects that will hopefully promote & attract future homebuyers, employers & family interest.

3) Population Growth: Parks & recreation attractions will stimulate future growth & development for the City of Sherman. The strategic planning already in progress will increase interest as potentials consider Sherman as a new home choice.

List any abilities, skills, licenses, certificates, specialized training, or interests you have which are applicable to this board or commission:

Business Management Certificate Grayson Co. Jr. College - Associates management Grayson Jr College May 2020 Ashford University Bachelors Org Mgmt Aug 2026

Please specify any business or personal relationships with the City or other activities, which might create a serious conflict of interest or affect your ability to serve if you should be appointed to this board or commission:

None. No known relatives or friends known.

Have you attended a meeting of the board/commission you are applying to or talked to anyone currently on the board? ☐ Yes ☒ No

Comments: unknown. Spoke w/ reps in City Clerks office only

Statement of Intent

I am aware of the requirements of the City regarding conflicts of interest of appointees to the City of Sherman Boards and Commissions, as noted in the overview. I am aware of meeting dates and times of the Board/Commission for which I have applied, and that Board/Commission members are expected to attend a minimum of 75 percent of regularly scheduled meetings annually of their Board/Commission. If appointed, I agree to serve on the Board/Commission for which I have applied. Applications, including those received after the posted deadline, will remain on file for one year from the date of receipt.

Signature: _____

Jurnie Casey

Date: _____

10/3/2019

In compliance with Chapter 552, Vernon's Texas Codes Annotated (Open Records Law), information provided on this application may be available to the public, upon request.

Sherman
CLASSIC TOWN. BROAD HORIZON.



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Regular Meeting

Meeting Date: 02/03/2020

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2020 Council Calendar

2020

JANUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY						
S	M	T	W	T	F	S
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

MARCH						
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22	23	24	25	26	27	28
29	30	31				

APRIL						
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26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
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17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE						
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JULY						
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AUGUST						
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23	24	25	26	27	28	29
30	31					

SEPTEMBER						
S	M	T	W	T	F	S
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20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
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18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER						
S	M	T	W	T	F	S
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

1/20/2020	Martin Luther King, Jr. Day/Called City Council Meeting on <u>1/21/2020</u>
9/7/2020	Labor Day/Called City Council Meeting on 9/8/2020

[illegible]