INTERLOCAL AGREEMENT BETWEEN GRAYSON COUNTY, TEXAS AND THE CITY OF SHERMAN, TEXAS FOR PUBLIC ROAD MAINTENANCE OF CERTAIN ROADS

This Interlocal Agreement ("Agreement") is entered into by and between Grayson County, Texas, acting through its Commissioners Court ("County"), and the City of Sherman, a Texas municipal corporation ("City"), collectively referred to as the "Parties," pursuant to the Interlocal Cooperation Act, Tex. Gov't Code Ch. 791, and consistent with Tex. Loc. Gov't Code Chs. 252 and 262 and Tex. Transp. Code Chs. 251 and 311.

WHEREAS, Tex. Gov't Code §§ 791.011 and 791.032 authorize local governments to contract for governmental functions and services, including road maintenance, repair, and construction; and Tex. Transp. Code § 251.012 permits a county to maintain or repair roads within a municipality with the municipality's consent; and Tex. Transp. Code § 311.001 grants municipalities exclusive control over streets within corporate limits but does not prohibit cooperative agreements with counties; and

WHEREAS, the Parties have determined that certain roads located within the corporate limits of the City and certain roads located in the unincorporated area of the County can be more efficiently and economically maintained by the other Party; and

WHEREAS, the governing bodies of each Party find that the subject of this Agreement is necessary for the benefit of the public, that each Party has the legal authority to perform the services that are the subject matter of this Agreement, and that each Party will derive a substantial benefit from the performance of such services by the other; and

WHEREAS, this Agreement has been authorized by the governing body of each party, as required by Tex. Gov't Code § 791.011(d)(1);

NOW, THEREFORE, the Parties agree as follows:

1. Scope and Purpose

The Parties agree to exchange maintenance responsibilities for the following public roads:

(a) County responsibilities within the City of Sherman corporate limits:
County shall perform routine maintenance (including blading, overlay, pothole repair, shoulder work, and brush cutting as needed) on the following roads:

(i) Farmington Road from Farm-to-Market Road 902 to the City limit, approximately 3,000 linear feet north of Farm-to-Market Road 902;
(ii) Jack Cole Road from Dripping Springs Road to the City limit, approximately 1,880 linear feet north of Dripping Springs Road;
(iii) Meadowlake Drive from State Highway 289 to the City limit, approximately 970 linear feet east of State Highway 289 right-of-way;
(iv) West Washington Street from State Highway 289 to the City limit, approximately 1,340 linear feet west of State Highway 289 right-of-way;
(v) West Washington Street from State Highway 289 to the City limit, approximately 2,130 linear feet east of State Highway 289 right-of-way;
(vi) Naylor Lane from United States Highway 82 to the City limit, approximately 1,880 linear feet north of United States Highway 82 right-of-way;
(vii) Old Perrin Road from Farm-to-Market Road 1417 to the City limit, approximately 480 linear feet west of Farm-to-Market Road 1417;
(viii) Plainview Road from Farm-to-Market Road 1417 to the City limit, approximately 530 linear feet west of Farm-to-Market Road 1417;
(ix) Plainview Road from Farm-to-Market Road 1417 to the City limit, approximately 500 linear feet east of Farm-to-Market Road 1417;
(x) Reynolds Lane from United States Highway 82 to the City limit, approximately 1,600 linear feet north of United States Highway 82 right-of-way; and
(xi) West Terrel Road from North Sam Rayburn Freeway to North Loy Lake Road, approximately 2,900 linear feet.

(b) City responsibilities within unincorporated Grayson County:
City shall perform routine maintenance (including blading, overlay, pothole repair, shoulder work, and brush cutting as needed) on the following roads:

(i) South 1st Street from State Highway 11 to the City limit, approximately 1,300 linear feet northwest of State Highway 11;
(ii) Ayers Drive from Crockett Street to its terminus, approximately 500 linear feet;
(iii) Cliff Hestand Road from Luella Road to its terminus, approximately 1,370 linear feet;
(iv) South East Street from East Sherman Street to its terminus, approximately 730 linear feet;
(v) Old Dorchester Road from Farmington Road to the City limit, approximately 1,300 linear feet west of Farmington Road;

(vi) Cox Street from the north City limit to the south City limit, approximately 800 linear feet;
(vii) Harriet Drive from Marshall Street to its terminus, approximately 570 linear feet west of Marshall Street;
(viii) Harriet Drive from Sistrunk Street to Cox Street, approximately 410 linear feet;
(ix) Hayes Street from Hilltop Drive to its terminus, approximately 360 linear feet south of Hilltop Drive;
(x) Hilltop Drive from Marshall Street to the City limit, approximately 1,660 linear feet west of Marshall Street;
(xi) Leacrest Drive from Dripping Springs Road to Sistrunk Street, approximately 380 linear feet;
(xii) Perry Street from Dripping Springs Road to its terminus, approximately 1,860 linear feet north of Dripping Springs Road;
(xiii) Sistrunk Road from Dripping Springs Road to its terminus, approximately 2,240 linear feet north of Dripping Springs Road;
(xiv) North Friendship Road from West Washington Street to Elliot Road, approximately 3,920 linear feet;
(xv) West Lamberth Road from Carriage Estates Road to North Friendship Road, approximately 2,450 linear feet;
(xvi) West Washington Road from North Friendship Road to the City limit, approximately 2,130 linear feet east of North Friendship Road;
(xvii) La Cima Road from Farm-to-Market Road 691 to the Water Treatment Plant driveway, approximately 1,300 linear feet south of Farm-to-Market Road 691; and
(xviii) North Loy Lake Road from Farm-to-Market Road 691 to the City limit, approximately 7,850 linear feet south of Farm-to-Market Road 691.

(c) The roads listed above are more particularly described in **Exhibit A** attached hereto and incorporated herein for all purposes.

2. Compensation

This is a reciprocal, no-cash-exchange agreement. Each Party shall bear its own costs for labor, equipment, and materials used in performing maintenance on the roads assigned to it under Section 1. No payment or reimbursement shall be required from one Party to the other. All obligations under this Agreement shall be payable only from current revenues available to the paying Party in the fiscal year in which the obligation is incurred.

3. Responsibilities

County shall provide qualified personnel and maintain its equipment in safe operating condition when performing work inside the City limits. City shall provide qualified personnel and maintain its equipment in safe operating condition when

performing work in the unincorporated area of the County. Each Party shall comply with all applicable federal, state, and local laws, regulations, and permitting requirements when performing work under this Agreement.

4. Term and Termination

This Agreement shall become effective as of the date of execution by the last Party to sign hereto (the "Effective Date") and shall thereafter remain in full force and effect unless and until amended, modified, or terminated pursuant to a written instrument executed by duly authorized representatives of both Parties. No amendment, modification, or termination of this Agreement shall be valid or binding unless set forth in writing and signed by both Parties.

5. Notices

All notices required hereunder shall be in writing and delivered to the following representatives:

For County:
County Judge, Grayson County, 100 W. Houston St., Sherman, TX 75090

For City:
City Manager, City of Sherman, 220 W. Mulberry St., Sherman, TX 75090

6. Miscellaneous

City Limits and Annexation: The City limits referenced in this Agreement are those in effect as of January 1, 2026. The municipal boundaries of the City of Sherman may change from time to time due to annexation, disannexation, or other lawful action. Any such change in municipal boundaries shall not automatically alter or transfer the maintenance responsibilities assigned under this Agreement. The responsibilities for maintenance of the roads described in Section 1 shall remain as set forth in this Agreement unless and until the Parties modify this Agreement in writing or terminate it in accordance with Section 4.

Severability: If any provision is invalid, the remainder remains enforceable.

Assignment and Amendment: Neither Party may assign or amend this Agreement without written consent.

Entire Agreement: This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, written or oral, relating to the subject matter.

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Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue for any dispute shall lie in Grayson County, Texas.

SIGNED on the dates below, effective upon the last signature.

FOR GRAYSON COUNTY

By: _____
Bruce Dawsey, County Judge

Date: 07/14/26

FOR CITY OF SHERMAN

Signed by:
By: _____
94D5858B75EE44B...
Shawn Teamann, Mayor

Date: 7/8/2026 | 2:43 PM CDT

Approved as to form:

By: _____
Attorney for County

Date: 07/14/2026

Approved as to form:

Signed by:
By: _____
E376C30465C34B5...
City Attorney

Date: 7/8/2026 | 11:00 AM CDT

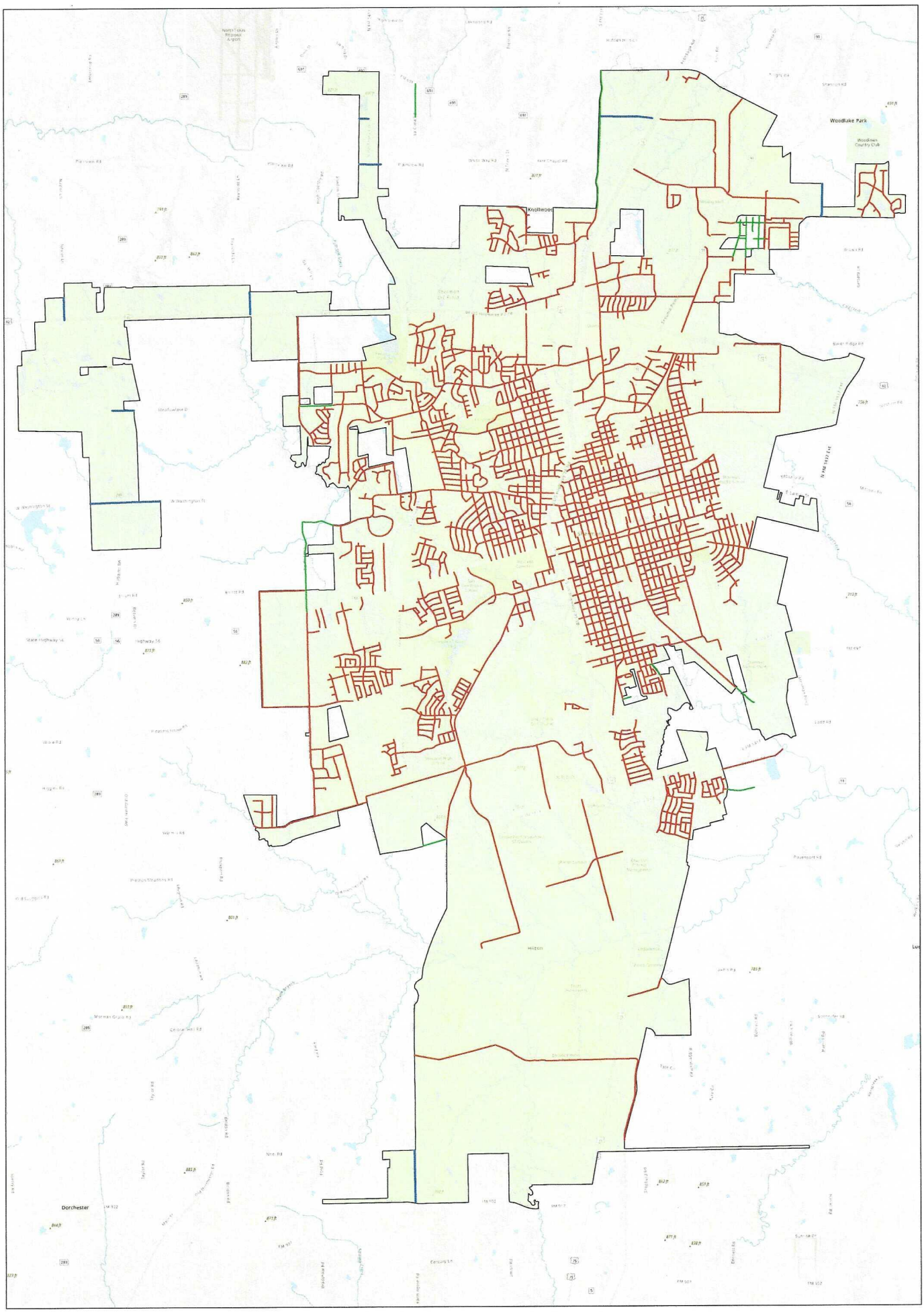
Sherman
CLASSIC TOWN, BROAD HORIZON.

Exhibit A
CITY OF SHERMAN
City\County Road Maintenance Map

Legend

City\County Roads
- City
- New City

County Road Additons

City Limits

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