

**JUNE 25, 2014 CITY COUNCIL ADDENDUM
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated June 25, 2014. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



A.C. Gonzalez
City Manager



Date



Edward Scott
City Controller



Date

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CITY OF DALLAS
DALLAS, TEXAS

**ADDENDUM
CITY COUNCIL MEETING
WEDNESDAY, JUNE 25, 2014
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TX 75201
9:00 A.M.**

REVISED ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m. **INVOCATION AND PLEDGE OF ALLEGIANCE**

OPEN MICROPHONE

CLOSED SESSION

MINUTES

Item 1

CONSENT AGENDA

Items 2 - 67

CONSENT ADDENDUM

Items 1 - 8

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier
than 9:15 a.m.

Items 68 - 74
Addendum Items 9 - 16

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.

Items 75 - 93

**ADDENDUM
CITY COUNCIL MEETING
JUNE 25, 2014
CITY OF DALLAS
1500 MARILLA
COUNCIL CHAMBERS, CITY HALL
DALLAS, TEXAS 75201
9:00 A. M.**

ADDITIONS:

CONSENT ADDENDUM

Business Development & Procurement Services

1. Authorize the purchase of four utility vehicles for Fire-Rescue - Sam Pack's Five Star Ford through the State of Texas CO-OP Program - Not to exceed \$88,516 - Financing: Municipal Lease Agreement Funds
2. Authorize **(1)** the rejection of the bid received for maintenance and repair of ozone generation equipment; and **(2)** the re-advertisement for new bids - Financing: No cost consideration to the City

Housing/Community Services

3. Authorize **(1)** the release of reverter with right of reentry for 1 vacant property located at 4010 Montie Street obtained by Frazier Revitalization, Inc. under the Land Assembly process through the Land Transfer Program; and **(2)** execution of a Correction Quitclaim Deed - Financing: No cost consideration to the City
4. Authorize **(1)** the acceptance of a grant from the Texas Department of State Health Services to provide services to the homeless through the Healthy Community Collaborative in an amount not to exceed \$5,177,000 for the period May 1, 2014 through August 31, 2015 and execution of any required grant agreements; **(2)** an eighth amendment to the Management Services Contract, Phase II, with Bridge Steps to: **(a)** allow Bridge Steps to count the Texas Department of State Health Services funds towards Bridge Steps' required contribution to the Bridge operating budget for the period October 1, 2014 through September 30, 2015; and **(b)** require Bridge Steps to comply with all conditions of the Texas Department of State Health Services grant agreements; **(3)** a private 1:1 cash match in an amount not to exceed \$5,177,000; and **(4)** execution of any and all agreements and other documents required by the grant - Not to exceed \$5,177,000 - Financing: Texas Department of State Health Services Grant Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 25, 2014**

ADDITIONS: (Continued)

CONSENT ADDENDUM (Continued)

Public Works Department

5. Authorize **(1)** a contract with S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of four, for the construction of a new bridge, street paving, storm drainage, and water pipeline improvements for Telephone Road from S. H. 342 to Bonnie View Road, Phase II in an amount not to exceed \$10,335,397; **(2)** assignment of the contract to Ridge South Dallas I, LLC for construction administration; **(3)** the receipt and deposit of funds from Ridge South Dallas I, LLC in the amount of \$324,086; and **(4)** an increase in appropriations in the amount of \$324,086 in the Capital Projects Reimbursement Fund - Total not to exceed \$10,335,397 - Financing: General Obligation Commercial Paper Funds (\$3,865,131), Capital Projects Reimbursement Funds (\$324,086) and Water Utilities Capital Improvement Funds (\$6,146,180)
6. Authorize a service agreement with Oncor Electric Delivery Company, LLC to remove an existing electrical power pole, install a new one, and bury 115 linear feet of electrical power line on the east side of Skillman Street and north of DART's rail line on the Katy Trail Extension, Phase IV, from Skillman Street to the Northwest Highway DART Station - Not to exceed \$33,414 - Financing: 2003 Bond Funds

Note: Item Nos. 7 and 8
must be considered collectively.

CBD Wayfinding and Signage Program, Phase III

7. * Authorize **(1)** Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III; **(2)** the receipt and deposit of funds from the Dallas Downtown Improvement District in an amount not to exceed \$100,000; and **(3)** an increase in appropriations in the amount of \$100,000 in the Capital Projects Reimbursement Fund - Total not to exceed \$100,000 - Financing: Capital Projects Reimbursement Funds
8. * Authorize a Local Project Advance Funding Agreement with and payment to the Texas Department of Transportation for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III - Not to exceed \$1,668 - Financing: Capital Projects Reimbursement Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 25, 2014**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION

City Secretary's Office

9. A resolution designating an absence by Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman as being for "Official City Business" - Financing: No cost consideration to the City
10. A resolution authorizing **(1)** an increase in the joint elections agreement and election services contract between the City of Dallas and Dallas County for the May 11, 2013 general election in an amount not to exceed \$382,363, from \$858,344 to \$1,240,707; and **(2)** an increase in appropriations in an amount not to exceed \$382,363, from \$1,119,514 to \$1,501,877 in the City Secretary's Office Elections budget - Not to exceed \$382,363 - Financing: Current Funds
11. An ordinance amending Ordinance No. 20231, as amended, to adopt new, renumbered and revised city election precincts - Financing: No cost consideration to the City
12. An ordinance ordering a special election to be held in the City of Dallas on Tuesday, November 4, 2014, for the purpose of submitting to the qualified voters of the City, proposed amendments to the Dallas City Charter - Financing: No cost consideration to the City

Sustainable Development and Construction

13. Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from the owners (list attached), of nine parcels of land totaling approximately 1,641 square feet consisting of two churches and seven single family residences located near the intersection of Spring Avenue and Sanderson Street for the Spring Avenue Redevelopment Project - Not to exceed \$20,618 (\$2,618, plus closing costs and title expenses not to exceed \$18,000) - Financing: 2010-11 Community Development Block Grant Reprogramming Funds
14. Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from the owners (list attached), of three parcels of land totaling approximately 8,386 square feet consisting of a vacant lot, a single family residence, and a retail building located near the intersection of Spring Avenue and Troy Street for the Spring Avenue Redevelopment Project - Not to exceed \$97,900 (\$86,900 plus closing costs and title expenses not to exceed \$11,000) - Financing: 2010-11 Community Development Block Grant Reprogramming Funds

**ADDENDUM
CITY COUNCIL MEETING
JUNE 25, 2014**

ADDITIONS: (Continued)

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

DESIGNATED PUBLIC SUBSIDY MATTERS

Economic Development

Frazier Revitalization, Inc. Parkland Clinic

Note: Item Nos. 15 and 16
must be considered collectively.

15. * Authorize various amendments to the terms of the two prior loan agreements and related security instruments authorized by Resolution Nos. 07-0522 and 10-3080, with Frazier Revitalization, Inc., and Frazier HS, LP for land acquisition, demolition and development of the Frazier-Scyene area to: **(1)** authorize the City Manager to release all the City's liens securing performance and completion of the project at NMTC closing rather than Certificate of Occupancy; **(2)** allow FRI and Frazier HS LP to transfer certain tracts to Hatcher at Scyene Title Holding Company for development of the new medical clinic; and **(3)** authorize the Director of the Office of Economic Development to extend project deadlines up to 6 months and to execute such other instruments, approved as to form by the City Attorney, as necessary to accommodate the financing structure for this project - Financing: No cost consideration to the City

16. * Authorize further amendments to Resolution No. 14-0688 authorizing the Chapter 380 economic development grant agreement with Frazier Revitalization, Inc. and/or Hatcher at Scyene Title Holding Company (collectively, "FRI"), to allow for the flexible structuring of the city's \$2 million grant payment (with up to \$1.6 million to be used as a "developer fee") to meet lender requirements for the proposed New Markets Tax Credit financing for this project - Financing: No cost consideration to the City

CORRECTION:

Aviation

2. Authorize an increase in the daily rates charged for parking in Garages A and B and valet services at Dallas Love Field, effective July 1, 2014 August 1, 2014 - Estimated Revenue: \$2,667,937 \$4,140,001

Spring Avenue Redevelopment Project - Owner List
 Addendum Item # 13

<u>Parcel No.</u>	<u>Owner</u>	<u>Address</u>	<u>Legal Description</u>
1	Saint Luke Methodist Church	4608 Wahoo Street	Lot 8, Block 9/2406
2	True Vine Baptist Church	4703 Spring Avenue 4711 Spring Avenue	Lot 1, 2 & 3, Block D/2402 Lot 10 & 11, Block 2398
3	Daniela Rodrigues	4806 Spring Avenue	Lot 10, Block B/2396
4	Amira Omar	4718 Spring Avenue	Lot 2, Block C/2396
5	Lacursha Hill	4714 Spring Avenue	Lot 3, Block C/2396
6	Georgette Boulingui & Edgard Moudouma	4706 Spring Avenue	Lot 5, Block C/2396
7	Teri Turner	4702 Spring Avenue	Lot 6, Block C/2396
8	Stephen D. Smith	4810 Spring Avenue	Lot 11, Block B/2396
9	Ilithia Morris	4850 Spring Avenue	Lot 21, Block B/2396

Spring Avenue Redevelopment Project - Property List
Addendum Item # 14

<u>Parcel No.</u>	<u>Owner</u>	<u>Address</u>	<u>Legal Description</u>
1	Dallas Neighborhood Alliance for Habitat	4806 Spring Avenue	Lot 43, Block B/2421
2	The Heirs at law of Leon Hooker	4850 Brashear	Lot 45, Block 2421
3	Tuyet Lan-thi Vo	4926 Spring Avenue	Lot 1, Block 4487

ADDENDUM DATE June 25, 2014

ITEM		IND		DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	DESCRIPTION
#	OK	DEF								
1				All	C	PBD, FIR	\$88,515.52	NA	NA	Authorize the purchase of four utility vehicles for Fire-Rescue
2				N/A	C	PBD	NC	NA	NA	Authorize the rejection of the bid received for maintenance and repair of ozone generation equipment; and the re-advertisement for new bids
3				7	C	HOU	NC	NA	NA	Authorize the release of reverter with right of reentry for 1 vacant property located at 4010 Montie Street obtained by Frazier Revitalization, Inc. under the Land Assembly process through the Land Transfer Program; and execution of a Correction Quitclaim Deed
4				All	C	HOU	GT	NA	NA	Authorize the acceptance of a grant from the Texas Department of State Health Services to provide services to the homeless through the Healthy Community Collaborative in an amount not to exceed \$5,177,000 for the period May 1, 2014 through August 31, 2015 and execution of any required grant agreements; an eighth amendment to the Management Services Contract, Phase II, with Bridge Steps to: allow Bridge Steps to count the Texas Department of State Health Services funds towards Bridge Steps' required contribution to the Bridge operating budget for the period October 1, 2014 through September 30, 2015; and require Bridge Steps to comply with all conditions of the Texas Department of State Health Services grant agreements; a private 1:1 cash match in an amount not to exceed \$5,177,000; and execution of any and all agreements and other documents required by the grant
5				8	C	PBW, WTR, ECO	\$10,011,310.45	99.87%	25.00%	Authorize a contract with S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of four, for the construction of a new bridge, street paving, storm drainage, and water pipeline improvements for Telephone Road from S. H. 342 to Bonnie View Road, Phase II; assignment of the contract to Ridge South Dallas I, LLC for construction administration; the receipt and deposit of funds from Ridge South Dallas I, LLC
6				9	C	PBW	\$33,414.00	NA	NA	Authorize a service agreement with Oncor Electric Delivery Company, LLC to remove an existing electrical power pole, install a new one, and bury 115 linear feet of electrical power line on the east side of Skillman Street and north of DART's rail line on the Katy Trail Extension, Phase IV, from Skillman Street to the Northwest Highway DART Station
7				14	C	PBW	GT	NA	NA	CBD Wayfinding and Signage Program, Phase III: Authorize Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III; the receipt and deposit of funds from the Dallas Downtown Improvement District
8				14	C	PBW	GT	NA	NA	CBD Wayfinding and Signage Program, Phase III: Authorize a Local Project Advance Funding Agreement with and payment to the Texas Department of Transportation for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III
9				All	I	SEC	NC	NA	NA	A resolution designating an absence by Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman as being for "Official City Business"
10				All	I	SEC	\$382,363.00	NA	NA	A resolution authorizing an increase in the joint elections agreement and election services contract between the City of Dallas and Dallas County for the May 11, 2013 general election
11				All	I	SEC, ATT	NC	NA	NA	An ordinance amending Ordinance No. 20231, as amended, to adopt new, renumbered and revised city election precincts
12				All	I	SEC, ATT	NC	NA	NA	An ordinance ordering a special election to be held in the City of Dallas on Tuesday, November 4, 2014, for the purpose of submitting to the qualified voters of the City, proposed amendments to the Dallas City Charter
13				7	I	DEV, HOU	GT	NA	NA	Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from the owners, of nine parcels of land totaling approximately 1,641 square feet consisting of two churches and seven single family residences located near the intersection of Spring Avenue and Sanderson Street for the Spring Avenue Redevelopment Project

ADDENDUM DATE June 25, 2014

ITEM		IND							DESCRIPTION
#	OK	DEF	DISTRICT	TYPE	DEPT.	DOLLARS	LOCAL	MWBE	
14			7	I	DEV, HOU	GT	NA	NA	Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from the owners, of three parcels of land totaling approximately 8,386 square feet consisting of a vacant lot, a single family residence, and a retail building located near the intersection of Spring Avenue and Troy Street for the Spring Avenue Redevelopment Project
15			7	I	ECO	NC	NA	NA	Frazier Revitalization, Inc. Parkland Clinic: Authorize various amendments to the terms of the two prior loan agreements and related security instruments authorized by Resolution Nos. 07-0522 and 10-3080, with Frazier Revitalization, Inc., and Frazier HS, LP for land acquisition, demolition and development of the Frazier-Scyene area to: authorize the City Manager to release all the City's liens securing performance and completion of the project at NMTC closing rather than Certificate of Occupancy; allow FRI and Frazier HS LP to transfer certain tracts to Hatcher at Scyene Title Holding Company for development of the new medical clinic; and authorize the Director of the Office of Economic Development to extend project deadlines up to 6 months and to execute such other instruments, approved as to form by the City Attorney, as necessary to accommodate the financing structure for this project
16			7	I	ECO	NC	NA	NA	Frazier Revitalization, Inc. Parkland Clinic: Authorize further amendments to Resolution No. 14-0688 authorizing the Chapter 380 economic development grant agreement with Frazier Revitalization, Inc. and/or Hatcher at Scyene Title Holding Company (collectively, "FRI"), to allow for the flexible structuring of the city's \$2 million grant payment (with up to \$1.6 million to be used as a "developer fee") to meet lender requirements for the proposed New Markets Tax Credit financing for this project
TOTAL						\$10,515,602.97			

KEY FOCUS AREA: Public Safety

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
Fire

CMO: Jeanne Chipperfield, 670-7804
Charles Cato, 670-9194

MAPSCO: N/A

SUBJECT

Authorize the purchase of four utility vehicles for Fire-Rescue - Sam Pack's Five Star Ford through the State of Texas CO-OP Program – Not to exceed \$88,516 - Financing: Municipal Lease Agreement Funds

BACKGROUND

This item is moved forward in order for the four utility vehicles to be delivered in August, 2014 for the Mobile Community Healthcare Program (MCHP) expansion.

The purchase of four utility vehicles will allow for the expansion of the new Mobile Community Healthcare Program (MCHP). The vehicles are necessary for the additional personnel that will be deployed to provide services to two area hospitals on a fee-for-service basis that will create revenue for the City.

Currently, Fire-Rescue has five utility vehicles for use by MCHP paramedics throughout the City. All four units are additional vehicles. These four utility vehicles will be outfitted with emergency medical services equipment and supplies to allow MCHP paramedics to properly assess and treat patients in support of field operations.

The State of Texas CO-OP Program conforms to the requirements of Texas Statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, the State of Texas CO-OP Program receives bids from manufacturers and dealers throughout the United States.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 11, 2013, City Council authorized the purchase of seven super-duty trucks and four sport utility vehicles for Fire-Rescue by Resolution No. 13-2054.

FISCAL INFORMATION

\$88,515.52 - Municipal Lease Agreement Funds

ETHNIC COMPOSITION

Sam Pack's Five Star Ford

White Male	104	White Female	19
Black Male	20	Black Female	2
Hispanic Male	3	Hispanic Female	0
Other Male	4	Other Female	0

OWNER

Sam Pack's Five Star Ford

Sam Pack, President

June 25, 2014

WHEREAS, on December 11, 2013, City Council authorized the purchase of seven super-duty trucks and four sport utility vehicles for Fire-Rescue by Resolution No. 13-2054;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS

Section 1. That the purchase of four utility vehicles for Fire-Rescue is authorized with Sam Pack's Five Star Ford (113696) through the State of Texas CO-OP Program in an amount not to exceed \$88,515.52.

Section 2. That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for four utility vehicles for Fire-Rescue. If a formal contract is required for this purchase instead of a purchase order, the City Manager is authorized to execute the contract upon approval as to form by the City Attorney.

Section 3. That in order to reimburse and finance the lease/purchase acquisition of the equipment described herein over a period not to exceed the estimated useful life (10 years) thereof, any Authorized Officer of the City designated in the Master Equipment Lease/Purchase Agreement (the "Master Lease") between Banc of America Public Capital Corp and the City is hereby authorized and directed to execute, acknowledge and deliver a Schedule A (as defined in the Master Lease) pertaining to such equipment including all attachments, financing statements and schedules thereto, in substantially the form attached to the Master Lease, with such changes as the signing officer shall determine to be advisable. Each Authorized Officer of the City is also authorized to execute, acknowledge and deliver any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into such Schedule A. The financing terms for such equipment, to be determined pursuant to the provisions of the Master Lease and reflected in such Schedule A, and the granting of a security interest in the financed equipment pursuant to the Master Lease, are hereby approved.

Section 4. That the City Controller is authorized to disburse funds from the following appropriation in an amount not to exceed \$88,515.52:

<u>Fund</u>	<u>Dept</u>	<u>Unit</u>	<u>Object</u>	<u>Encumbrance</u>	<u>Amount</u>
ML14	DFD	E335	4740	PODFD00000114360	\$88,515.52

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 2

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Business Development & Procurement Services

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

Authorize **(1)** the rejection of the bid received for maintenance and repair of ozone generation equipment; and **(2)** the re-advertisement for new bids – Financing: No cost consideration to the City

BACKGROUND

This rejection of the only bid received is being moved forward to allow for immediate re-advertisement in an attempt to secure additional competition. The ozone purification equipment needs to be maintained to meet the demands of the City’s water customers. Delaying the rejection until August would further delay the maintenance during peak demand.

This action will authorize the rejection of the bid received for solicitation BP1401 for a three-year service contract with two one-year renewal options for maintenance and repair of ozone generation equipment. Water Utilities along with Business Development and Procurement Services (BDPS) will modify the specifications and bid sheet for clarification. BDPS further determined it would be more advantageous to the City to reject the bid and re-advertise for new bids.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

June 25, 2014

WHEREAS, on November 20, 2013, one bid was received for maintenance and repair of ozone generation equipment; and,

WHEREAS, it has been determined that it is in the best interest of the City of Dallas to reject bid that was received for maintenance and repair of ozone generation equipment;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the one bid received for maintenance and repair of ozone generation equipment is hereby rejected and authorization to solicit new bids is granted.

SECTION 2. That this resolution shall take effect immediately from and after its passage in accordance with provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 7
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 47S

SUBJECT

Authorize **(1)** the release of reverter with right of reentry for 1 vacant property located at 4010 Montie Street obtained by Frazier Revitalization, Inc. under the Land Assembly process through the Land Transfer Program; and **(2)** execution of a Correction Quitclaim Deed - Financing: No cost consideration to the City

BACKGROUND

This item was placed on the addendum because the financing entity for the project has requested the release of the reverter on the property prior to full loan approvals and City Attorney recommended City Council action to release the reverter.

On March 18, 2013, Frazier Revitalization, Inc. (Frazier), a qualified non-profit organization, submitted a proposal to the City for the private purchase of 1 improved property located at 4010 Montie under the Land Assembly process through the Land Transfer Program to develop a single-family home for a low-income homebuyer. On April 10, 2013, the City Council passed Resolution No. 13-0610 accepting Frazier's proposal for the property.

On March 10, 2014, Frazier submitted a written modified Land Transfer Proposal to the City to approve changes in the proposal to develop 1 improved Property. Frazier proposes to develop the Property, upon replat with adjacent properties owned by or to be acquired by Frazier, as the Hatcher Station Village Medical Clinic containing approximately 44,000 square feet to be leased by Parkland Health and Hospital System under the economic development option of the Land Assembly process. On May 14, 2014, the City Council passed Resolution No. 14-0749 accepting Frazier's amended proposal for the property.

BACKGROUND (continued)

The Quitclaim Deed to the Property contains a reverter with right of reentry if a medical clinic is not developed on the replatted Property. The New Market Tax Credits to be obtained for financing of the development requires a 7-year compliance period. The reverter with right of reentry needs to be released in order for the title company to insure the property without restrictions, as required by the lender for the New Market Tax Credit financing.

Construction should begin in June 2014 with completion estimated in the first quarter of 2015.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 10, 2013, the City Council accepted a proposal from Frazier for the private purchase of 1 improved property, subject to five year deed restrictions for affordable housing and the written proposal submitted by Frazier on March 18, 2013, by Resolution No. 13-0610.

On April 7, 2014, the Economic Development Committee was briefed on the Hatcher Station Village Medical Clinic.

On May 14, 2014, the City Council accepted an amended proposal from Frazier to develop a medical clinic on the replatted property, subject to seven year deed restrictions for compliance and the written proposal submitted by Frazier on March 10, 2014, by Resolution No. 14-0749.

FISCAL INFORMATION

No cost consideration to the City

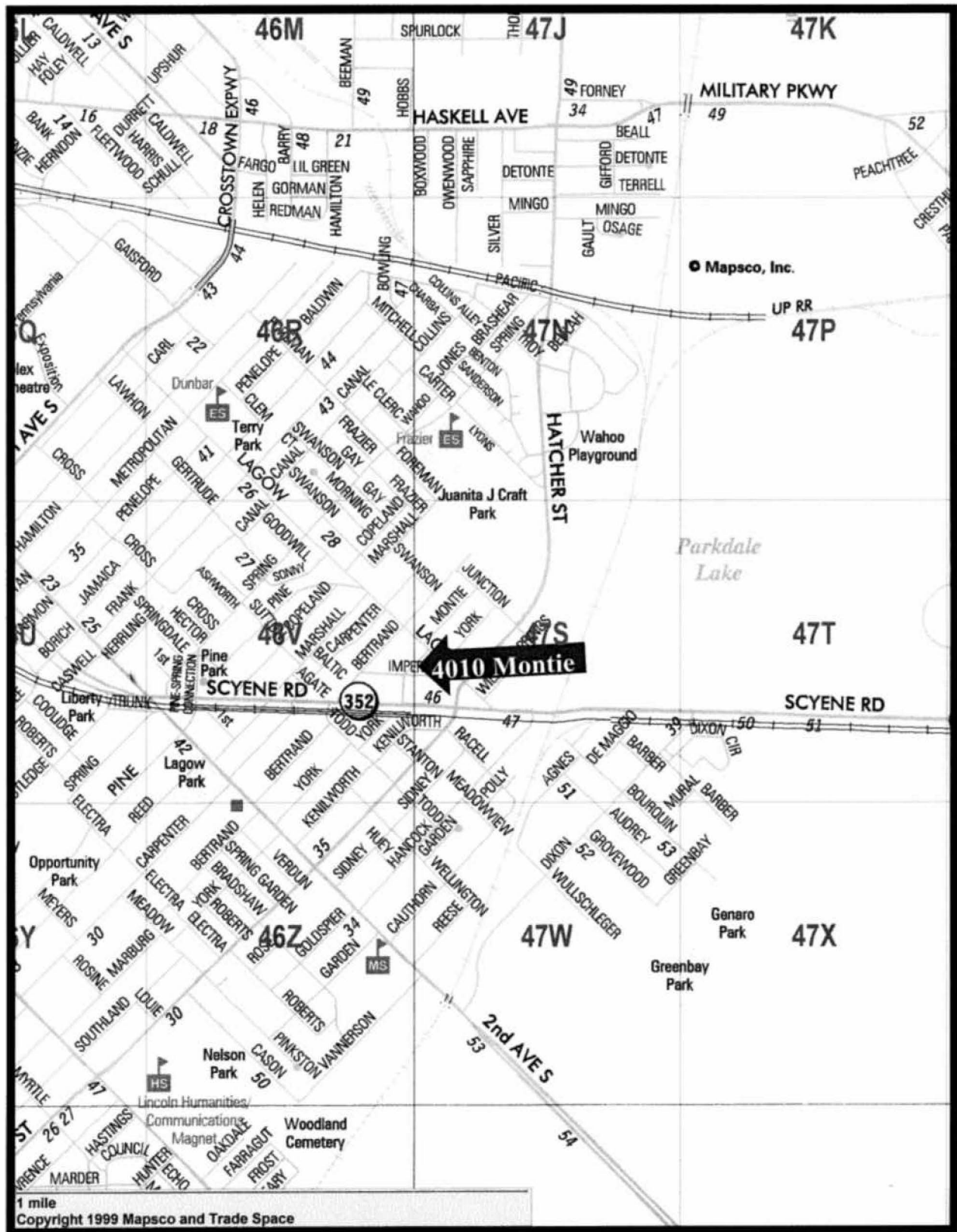
OWNER

Frazier Revitalization, Inc.

Dorothy Hopkins, President

MAP

Attached



MAPSCO 47S

June 25, 2014

WHEREAS, on March 18, 2013, Frazier Revitalization, Inc. ("Frazier"), a qualified non-profit organization, submitted a proposal to the City for the private purchase of 1 improved property located at 4010 Montie ("Property") under the Land Assembly process through the Land Transfer Program to develop a single-family home for a low-income homebuyer; and

WHEREAS, on April 10, 2013, the City Council passed Resolution No. 13-0610 accepting Frazier's proposal for the Property, subject to five year deed restrictions for affordability and written proposal submitted by Frazier; and

WHEREAS, on May 14, 2014, the City Council passed Resolution No. 14-0749 accepting Frazier's amended proposal for the Property, subject to seven year deed restrictions for compliance and written proposal submitted by Frazier; and

WHEREAS, the Quitclaim Deed to the Property contains a reverter with right of reentry if the medical clinic is not developed; and

WHEREAS, the City Council desires to release the reverter with right of reentry and correct the Quitclaim Deed for the Property; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the release of the reverter with right of reentry be approved by the City for the Property.

SECTION 2. That the City Manager is authorized to execute, upon approval as to form by the City Attorney, a Correction Quitclaim Deed for the Property releasing the reverter with right of reentry.

SECTION 3. That this resolution shall take effect immediately from and after its passage, in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Clean, Healthy Environment
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): All
DEPARTMENT: Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: N/A

SUBJECT

Authorize **(1)** the acceptance of a grant from the Texas Department of State Health Services to provide services to the homeless through the Healthy Community Collaborative in an amount not to exceed \$5,177,000 for the period May 1, 2014 through August 31, 2015 and execution of any required grant agreements; **(2)** an eighth amendment to the Management Services Contract, Phase II, with Bridge Steps to: **(a)** allow Bridge Steps to count the Texas Department of State Health Services funds towards Bridge Steps' required contribution to the Bridge operating budget for the period October 1, 2014 through September 30, 2015; and **(b)** require Bridge Steps to comply with all conditions of the Texas Department of State Health Services grant agreements; **(3)** a private 1:1 cash match in an amount not to exceed \$5,177,000; and **(4)** execution of any and all agreements and other documents required by the grant - Not to exceed \$5,177,000 - Financing: Texas Department of State Health Services Grant Funds

BACKGROUND

This item was placed on the addendum to accept grant funds from the Texas Department of State Health Services for \$5,177,000 for homeless services offered through the Bridge.

Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness. The Texas Department of State Health Services requested applications from five Texas municipalities in counties with populations of more than one million, including Bexar, Dallas, Harris, Tarrant, and Travis. The City of Dallas applied and was awarded \$5,177,000 in funds to service mentally ill and substance abuse homeless individuals.

BACKGROUND (Continued)

Acceptable uses of the grant funds and the required private matching funds includes: establishment or expansion of a community collaborative of service providers focused on meeting the needs of the mentally ill homeless population, operation and/or maintenance of minimum services (assistance accessing benefits, detoxification units, integrated medical services, housing services and education, job training and/or supported employment) and once required services are met, the provision and/or coordination of additional/optional services may be provided. The Bridge will match 1:1 up to \$5,177,000 from private funds.

The City will ask Council to authorize an eighth amendment to the City's Management Services Contract, Phase II, with Bridge Steps to allow the amount of this grant, \$5,177,000 to count toward Bridge Steps' required contribution to The Bridge operating budget.

Under the Management Services Contract, Bridge Steps provides direct services such as meals, showers, mail, locker storage, personal care, and intake/case management to the City's homeless population. These grant funds will be used for the expansion of services for mentally ill and substance abuse homeless individuals.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 12, 2007, City Council authorized a Management Services Contract, Phase II, with MDHA to operate The Bridge, by Resolution No. 07-3739.

On April 14, 2010, City Council authorized a second amendment to the Management Services Contract, Phase II, with MDHA to increase the amount of the City's contribution toward The Bridge operating budget due to receipt of the TDHCA grant awarded to the City, by Resolution No. 10-0865.

On December 14, 2011, City Council authorized a third amendment to the Management Services Contract, Phase II, with Bridge Steps (MDHA's management and operating responsibilities for The Bridge were assumed by Bridge Steps on October 1, 2011) to increase the amount of the City's contribution toward The Bridge operating budget due to receipt of the TDHCA grant awarded to the City, by Resolution No. 11-3228.

On March 28, 2012, the City Council authorized a fourth amendment to the Management Services Contract, Phase II, with Bridge Steps to increase the City's contribution to the 2011-12 Bridge operating budget in the amount of \$71,857 and decrease Bridge Steps' required cash operating reserve from three months to two months, but not to be less than \$1,500,000, by Resolution No. 12-0914.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On November 14, 2012, the City Council authorized the City Manager to (1) execute an Interlocal Agreement with Dallas County for up to \$1,000,000 in funds to provide homeless assistance services at the Bridge, (2) to accept a grant from TDHCA in the amount of \$746,202, and (3) execute a fifth amendment to the Management Services Contract, Phase II, with Bridge Steps to allow Bridge Steps to count both the Dallas County and TDHCA funds toward Bridge Steps' required contribution to the Bridge operating budget for the period from October 1, 2012-September 30, 2013 by, Resolution No. 12-2738.

On September 18, 2013, City Council approved the General Fund budget that authorized funds in the amount of \$3,800,000 to Bridge Steps, by Resolution No.13-1646.

On November 12, 2013, City Council authorized (1) an Interlocal Agreement (ILA) with Dallas County to accept monthly payments in the amount of \$83,333.33 for the period October 1, 2012 through September 30, 2013, total amount not to exceed \$1,000,000, for providing homeless assistance services at the Bridge through the City's contractor, Bridge Steps; (2) the acceptance of a grant(s) from the Texas Department of Housing and Community Affairs (TDHCA) Homeless Housing and Services Program (HHSP), not to exceed \$746,202, to provide services to the homeless for the period October 1, 2012 through September 30, 2013 and execution of the required grant agreement(s) with TDHCA; and (3) a sixth amendment to the Management Services Contract, Phase II, with Bridge Steps to: (a) allow Bridge Steps to count both the Dallas County and TDHCA funds towards Bridge Steps' required contribution to the Bridge operating budget for the period October 1, 2012 through September 30, 2013, and (b) require Bridge Steps to comply with all conditions of the ILA and TDHCA grant agreement(s) - Not to exceed \$1,746,202, by Resolution No. 13-1929.

On December 11, 2013, City Council authorized a seventh amendment to the Management Services Contract Phase II, with Bridge Steps to increase the FY 2013-14 budget agreement by \$748,434, from \$5,556,818 to \$6,305,252, by Resolution No. 13-2159.

FISCAL INFORMATION

\$5,177,000 - Texas Department of State Health Services Fund

\$5,177,000 - Private Match

June 25, 2014

WHEREAS, Senate Bill 58 of the 83rd regular legislative session amended Subtitle I, Title 4, of the Texas Government Code to add Chapter 539 establishing or expanding community collaborative projects to improve the access to care, quality/comprehensiveness of care, and outcomes for persons who are both homeless and have a mental illness; and

WHEREAS, the five eligible municipalities and counties include: Bexar, Dallas, Harris, Tarrant, and Travis; and

WHEREAS, the City was granted \$5,177,000 in funds to service mentally ill and substance abuse homeless individuals; and

WHEREAS, the City desires to amend the contract with The Bridge Steps for continued operation of the Homeless Assistance Center; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That following approval as to form by the City Attorney, the City Manager is hereby authorized to **(1)** accept a grant from the Texas Department of State Health Services to provide services to the homeless through the Healthy Community Collaborative in an amount not to exceed \$5,177,000 for the period May 1, 2014 through August 31, 2015 and execution of any required grant agreements; **(2)** an eighth amendment to the Management Services Contract, Phase II, with Bridge Steps to: **(a)** allow Bridge Steps to count the Texas Department of State Health Services funds towards Bridge Steps' required contribution to the Bridge operating budget for the period October 1, 2014 through September 30, 2015; and **(b)** require Bridge Steps to comply with all conditions of the Texas Department of State Health Services grant agreements; **(3)** a private 1:1 cash match in an amount not to exceed \$5,177,000; and **(4)** execute any and all agreements and other documents required by the grant.

Section 2. That the City Manager is hereby authorized to establish appropriations in Fund S269, Dept. HOU, Unit 1532, in an amount not to exceed \$5,177,000.

Section 3. That the City Controller is hereby authorized to receive and deposit grant funds in Fund S269, Dept. HOU, Unit 1532, Revenue Source 6508, in an amount not to exceed \$5,177,000.

Section 4. That the City Controller is hereby authorized to disburse grant funds from Fund S269, Dept. HOU, Unit 1532, Object Code 3099, in an amount not to exceed \$5,177,000.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provision of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 5

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): 8

DEPARTMENT: Public Works Department
Water Utilities
Office of Economic Development

CMO: Jill A. Jordan, P.E., 670-5299
Forest E. Turner, 670-3390
Ryan S. Evans, 671-9837

MAPSCO: 76H K L M N

SUBJECT

Authorize **(1)** a contract with S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of four, for the construction of a new bridge, street paving, storm drainage, and water pipeline improvements for Telephone Road from S. H. 342 to Bonnie View Road, Phase II in an amount not to exceed \$10,335,397; **(2)** assignment of the contract to Ridge South Dallas I, LLC for construction administration; **(3)** the receipt and deposit of funds from Ridge South Dallas I, LLC in the amount of \$324,086; and **(4)** an increase in appropriations in the amount of \$324,086 in the Capital Projects Reimbursement Fund - Total not to exceed \$10,335,397 - Financing: General Obligation Commercial Paper Funds (\$3,865,131), Capital Projects Reimbursement Funds (\$324,086) and Water Utilities Capital Improvement Funds (\$6,146,180)

BACKGROUND

It is necessary for this item to be placed on the addendum agenda because this item is an economic development action that must be acted on before the next available agenda. A Development Agreement with Ridge South Dallas I, LLC was authorized by Council on June 25, 2008, and a professional services contract with APM & Associates, Inc. for the engineering design of thoroughfare improvements on Telephone Road from Bonnie View Road to Dallas Avenue (S. H. 342) was authorized by City Council on October 13, 2010. This action will authorize a contract with S. J. Louis Construction of Texas, Ltd. for the construction of street paving, storm drainage and water pipeline improvements for Phase II of Telephone Road from S. H. 342 to Bonnie View Road project.

BACKGROUND (Continued)

The Telephone Road from S. H. 142 to Bonnie View Road project scope entails constructing a four-lane divided roadway. The project will provide a new bridge over Newton Creek, a new storm sewer and sidewalks, and water utility upgrades. The Telephone Road Phase I project constructed the two westbound lanes of the planned ultimate four-lane roadway and was completed in May 12, 2014. Phase II will construct the remaining two eastbound lanes of the ultimate four-lane divided roadway, thus completing the Telephone Road project. The payment of \$324,086.20 by Ridge South Dallas I, LLC is to offset roadway costs in the City of Lancaster.

S. J. Louis Construction of Texas, Ltd. has no completed contractual activities with the City of Dallas for the past three years.

ESTIMATED SCHEDULE OF PROJECT

Began Design	October 2010
Completed Design	April 2014
Begin Construction	August 2014
Complete Construction	October 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a Development Agreement with Ridge South Dallas I, LLC on June 25, 2008, by Resolution No. 08-1871.

Authorized a professional services contract with APM & Associates, Inc. on October 13, 2010, by Resolution No. 10-2595.

Authorized a property Tax Abatement Agreement with Ridge South Dallas I, LLC on September 26, 2012, by Resolution No. 12-2395.

Authorized a Chapter 380 Economic Development Grant Agreement with L'Oreal USA S/D, Inc. on September 26, 2012, by Resolution No. 12-2396.

Authorized an Infrastructure Cost Participation Agreement with Ridge South Dallas I, LLC on September 26, 2012, by Resolution No. 12-2397.

Authorized a construction contract with Tiseo Paving Company on December 12, 2012, by Resolution No. 12-3056.

FISCAL INFORMATION

2006 Bond Program (General Obligation Commercial Paper Funds) - \$3,865,130.95

Capital Projects Reimbursement Fund - \$324,086.20

Water Utilities Capital Improvement Funds - \$6,146,179.50

Design	\$ 681,450.00
Construction	
Paving & Drainage - (PBW)	\$ 3,865,130.95
Private Funds	\$ 324,086.20
Water - (DWU)	<u>\$ 6,146,179.50</u>
Total	\$11,016,846.65

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

S. J. Louis Construction of Texas, Ltd.

Hispanic Female	8	Hispanic Male	297
African-American Female	0	African-American Male	3
Other Female	0	Other Male	2
White Female	13	White Male	104

BID INFORMATION

The following bids with quotes were received and opened on May 22, 2014:

*Denotes successful bidder

<u>BIDDERS</u>	<u>BID AMOUNT</u>
*S. J. Louis Construction of Texas, Ltd. 520 S. 6th Avenue Mansfield, Texas 76063	\$10,335,396.65
Oscar Renda	\$11,374,494.25
Texas Sterling	\$13,467,706.24
Ed Bell Construction Company	\$15,019,051.15

BID INFORMATION (Continued)

Engineer's Estimate:	PBW	\$ 3,500,000.00
	DWU	<u>\$ 8,000,000.00</u>

Total		\$11,500,000.00
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OWNER

S. J. Louis Construction of Texas, Ltd.

Les V. Whitman, General Manager

MAP

Attached.

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** a contract with S. J. Louis Construction of Texas, Ltd., lowest responsible bidder of four, for the construction of a new bridge, street paving, storm drainage, and water pipeline improvements for Telephone Road from S. H. 342 to Bonnie View Road, Phase II in an amount not to exceed \$10,335,397; **(2)** assignment of the contract to Ridge South Dallas I, LLC for construction administration; **(3)** the receipt and deposit of funds from Ridge South Dallas I, LLC in the amount of \$324,086; and **(4)** an increase in appropriations in the amount of \$324,086 in the Capital Projects Reimbursement Fund - Total not to exceed \$10,335,397 - Financing: General Obligation Commercial Paper Funds (\$3,865,131), Capital Projects Reimbursement Funds (\$324,086) and Water Utilities Capital Improvement Funds (\$6,146,180)

S. J. Louis Construction of Texas, Ltd. is a local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Construction

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$10,321,946.45	99.87%
Total non-local contracts	\$13,450.20	0.13%
TOTAL CONTRACT	\$10,335,396.65	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Duran Industries, Inc.	HMDB59600Y1014	\$2,263,400.00	21.93%
A.E.A Transportation	HMDB61140Y0415	\$156,000.00	1.51%
J.E. Guzman Construction, Inc.	HMMB61477N0415	\$151,150.00	1.46%
Total Minority - Local		\$2,570,550.00	24.90%

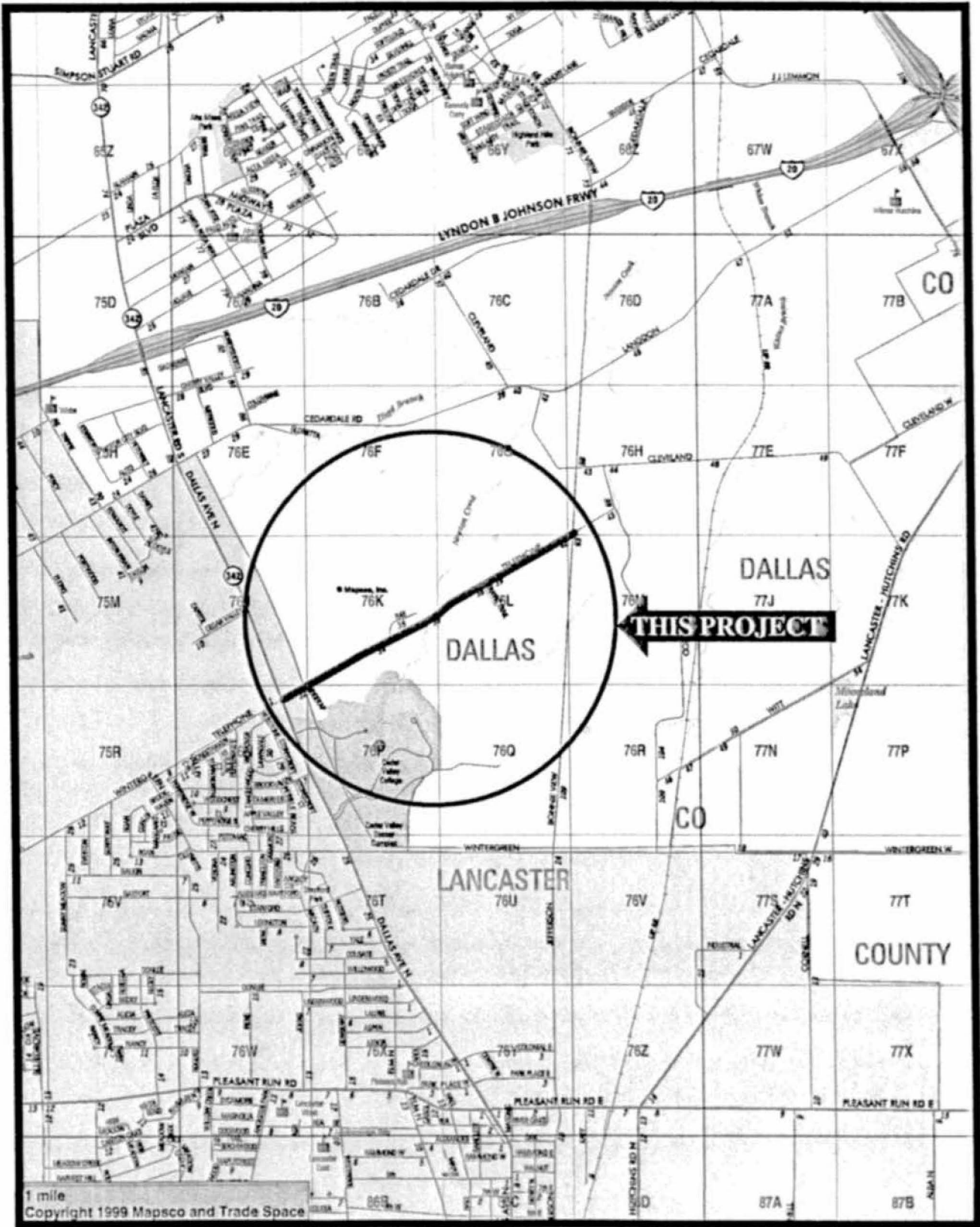
Non-Local Contractors / Sub-Contractors

<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Road Master Striping, LLC	HMDB60153Y0215	\$13,450.20	100.00%
Total Minority - Non-local		\$13,450.20	100.00%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$2,570,550.00	24.90%	\$2,584,000.20	25.00%
Asian American	\$0.00	0.00%	\$0.00	0.00%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$0.00	0.00%	\$0.00	0.00%
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Total	\$2,570,550.00	24.90%	\$2,584,000.20	25.00%

THOROUGHFARE IMPROVEMENTS TELEPHONE ROAD FROM S. H. 342 TO BONNIE VIEW ROAD



MAPSCO 76H,K,L,M,N

June 25, 2014

WHEREAS, on June 25, 2008, Resolution No. 08-1871 authorized a Development Agreement with Ridge South Dallas I, LLC for the construction of certain public and private improvements supporting the development of Ridge Logistics Center and Telephone Road in the City of Dallas; and,

WHEREAS, on October 13, 2010, Resolution No. 10-2595 authorized a professional services contract with APM & Associates, Inc. for the engineering design of thoroughfare improvements on Telephone Road from Bonnie View Road to Dallas Avenue; and,

WHEREAS, on September 26, 2012, Resolution No. 12-2395 authorized a real property tax abatement Agreement with Ridge South Dallas I, LLC for the added value on real property improvements located within a Texas Enterprise Zone; and,

WHEREAS, on September 26, 2012, Resolution No. 12-2396 authorized a Chapter 380 Economic Development Grant Agreement with L'Oreal USA S/D, Inc. related to the construction of its new distribution facility and job creation near Telephone Road and Dallas Avenue; and,

WHEREAS, on September 26, 2012, Resolution No. 12-2397 authorized an Infrastructure Cost Participation Agreement with Ridge South Dallas I, LLC in order to promptly complete the contemplated public improvements and to facilitate the new private development in the area; and,

WHEREAS, on December 12, 2012, Resolution No. 12-3056 authorized a construction contract with Tiseo Paving Company for the construction of thoroughfare and water main improvements for Telephone Road, Phase 1 in the amount of \$2,833,173.47; and,

WHEREAS, bids were received on May 22, 2014, for the construction of street paving, bridge, storm drainage and water main improvements for Telephone Road from S. H. 342 to Bonnie View Road, Phase II as follows:

<u>BIDDERS</u>	<u>BID AMOUNT</u>
S. J. Louis Construction of Texas, Ltd.	\$10,335,396.65
Oscar Renda	\$11,374,494.25
Texas Sterling	\$13,467,706.24
Ed Bell Construction Company	\$15,019,051.15

June 25, 2014

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a contract with S. J. Louis Construction of Texas, Ltd. for the construction of street paving, bridge, storm drainage and water main improvements for Telephone Road from S. H. 342 to Bonnie View Road, Phase II in an amount not to exceed \$10,335,396.65, this being the lowest responsive bid received as indicated by the tabulation of bids; and assignment of the contract to Ridge South Dallas I, LLC for construction administration, after it has been approved as to form by the City Attorney.

Section 2. That the City Controller is hereby authorized to receive and deposit funds from Ridge South Dallas I, LLC, in the amount of \$324,086.20, in the Capital Projects Reimbursement Fund 0556, Department PBW, Unit P767, Revenue Source 8492.

Section 3. That the City Manager is hereby authorized to increase appropriations in the Capital Projects Reimbursement Fund 0556, Department PBW, Unit P767, Object 4510, in the amount of \$324,086.20.

Section 4. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the contract from:

Street and Transportation Improvements Fund Fund 2T22, Department PBW, Unit P767, Act. THRF Obj. 4510, Program #PB06P767, CT PBW06P76711 Vendor #356847, in an amount not to exceed	\$ 3,865,130.95
Capital Projects Reimbursement Fund Fund 0556, Department PBW, Unit P767, Act. THRF Obj. 4510, Program #PB06P767, CT PBW06P76711 Vendor #356847, in an amount not to exceed	\$ 324,086.20
Water Capital Improvement Fund Fund 0115, Department DWU, Unit PW40 Obj. 4550, Program #714141, CT PBW714141CP Vendor #356847, in an amount not to exceed	<u>\$ 6,146,179.50</u>
Total amount not to exceed	\$10,335,396.65

June 25, 2014

Section 5. That the City Controller is hereby authorized to refund any unused advanced funds to Ridge South Dallas 1, LLC, from Fund 0556, Unit P767, Dept. PBW, Object Code 4510.

Section 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 9
DEPARTMENT: Public Works Department
CMO: Jill A. Jordan, P.E., 670-5299
MAPSCO: 36G

SUBJECT

Authorize a service agreement with Oncor Electric Delivery Company, LLC to remove an existing electrical power pole, install a new one, and bury 115 linear feet of electrical power line on the east side of Skillman Street and north of DART's rail line on the Katy Trail Extension, Phase IV, from Skillman Street to the Northwest Highway DART Station - Not to exceed \$33,414 - Financing: 2003 Bond Funds

BACKGROUND

It is necessary for this item to be placed on the addendum in order to continue Council-approved construction. As a result of ongoing trail coordination and construction, the City of Dallas requested that Oncor Electric Delivery Company, LLC remove an existing power pole on the east side of Skillman Street and north of DART's rail line due to a conflict with the proposed Skillman Pedestrian Bridge on the Katy Trail Extension, Phase IV. As a result, a new power pole will be installed 30 feet north of the existing power pole to avoid the proposed Skillman Pedestrian Bridge. In addition, 115 linear feet of electrical power line will be buried to avoid the proposed Skillman Pedestrian Bridge.

This action will authorize a service agreement with Oncor Electric Delivery Company, LLC and will provide the funding necessary to allow for the removal and construction of the electrical power pole and burying 115 linear feet of electrical power line.

ESTIMATED SCHEDULE OF PROJECT

Began Design	March 2008
Completed Design	June 2010
Began Construction	February 2012
Complete Construction	December 2014

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized TEA-21's First Call for Projects on April 28, 1999, by Resolution No. 99-1459.

Authorized STEP's Call for Projects on May 23, 2001, by Resolution No. 01-1667.

Authorized a Professional Services Contract with Washington Infrastructure Services, Inc. on October 10, 2001, by Resolution No. 01-3024.

Authorized an Interlocal Agreement with Texas Department of Transportation on October 10, 2001, by Resolution No. 01-3025.

Authorized Supplemental Agreement No. 1 with Washington Infrastructure Services, Inc. on April 24, 2002, by Resolution No. 02-1346.

Authorized Supplemental Agreement No. 2 with Washington Infrastructure Services, Inc. on December 11, 2002, by Resolution No. 02-3488.

Authorized Supplemental Agreement No. 5 with Washington Group International, Inc. (formerly Washington Infrastructure Services, Inc.) on June 8, 2005, by Resolution No. 05-1721.

Authorized a professional services contract with HNTB Corporation for design of Phase IV of the Katy Trail extension project on February 27, 2008, by Resolution No. 08-0683-02.

Authorized Supplemental Agreement No. 2 to the design contract with HNTB Corporation on Phase IV of the Katy Trail extension project on September 8, 2010, by Resolution No. 10-2297.

Authorized rejection of bids received and re-advertisement of new bids for Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station on September 22, 2010, by Resolution No. 10-2451.

Authorized a construction contract with The Fain Group, Inc. on April 13, 2011, by Resolution No. 11-0931.

Authorized payment to the Texas Department of Transportation on April 13, 2011, by Resolution No. 11-0932.

Authorized license agreements with Dallas Area Rapid Transit and Oncor on April 13, 2011, by Resolution No. 11-0933.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Authorized Change Order No. 1 to the contract with The Fain Group, Inc. on December 12, 2012, by Resolution No. 12-3058.

Authorized a service agreement with Oncor Electric Delivery Company, LLC on April 10, 2013, by Resolution No. 13-0619.

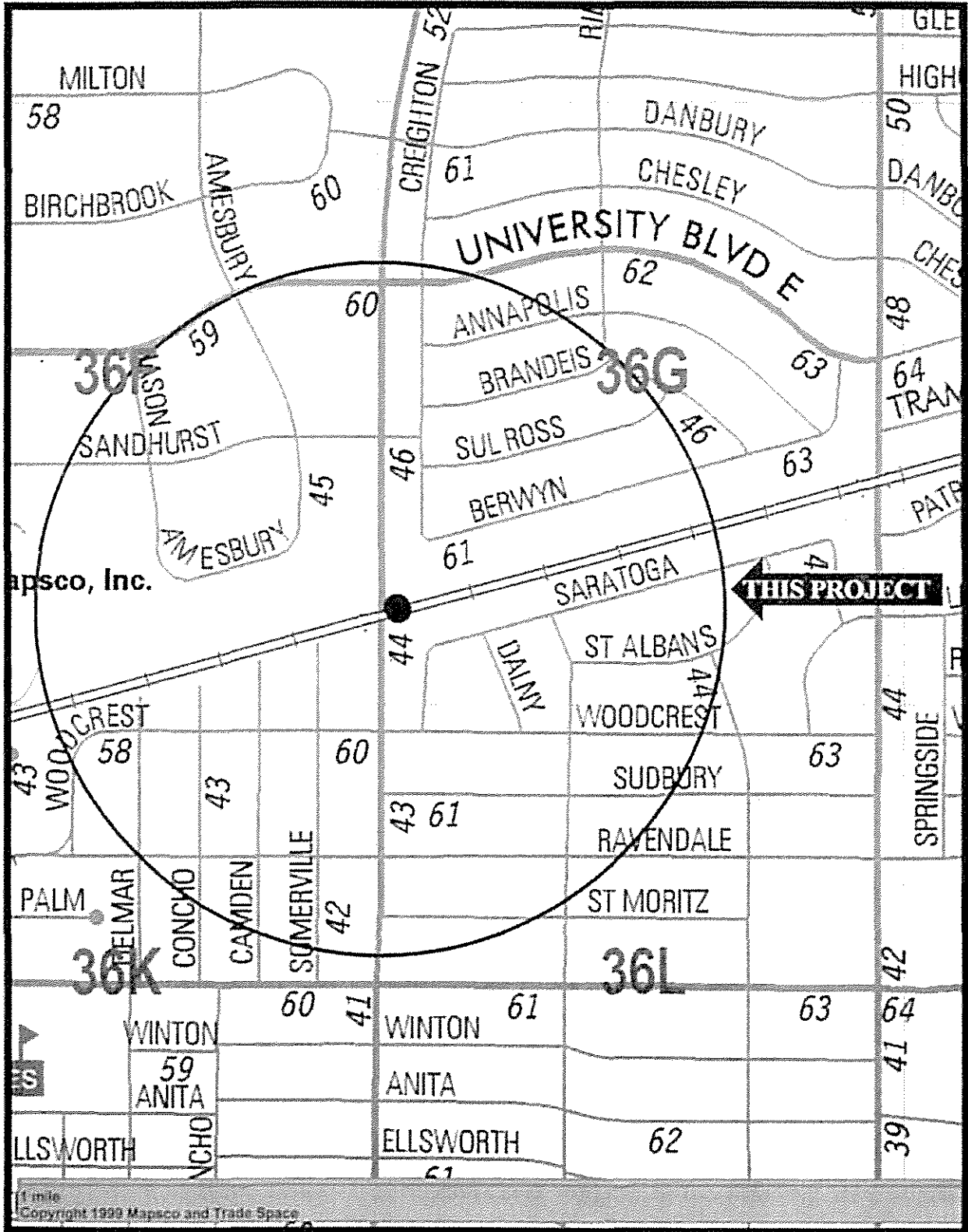
FISCAL INFORMATION

2003 Bond Funds - \$33,414.00

MAP

Attached.

KATY TRAIL EXTENSION PHASE 4 FROM SKILLMAN STREET TO NORTHWEST HIGHWAY DART STATION



MAPSCO 36 G

June 25, 2014

WHEREAS, on April 28, 1999, Resolution No. 99-1459 authorized TEA-21's First Call for Projects; and,

WHEREAS, on May 23, 2001, Resolution No. 01-1667 authorized STEP's Call for Projects; and,

WHEREAS, on October 10, 2001, Resolution No. 01-3024 authorized a Professional Services Contract with Washington Infrastructure Services, Inc.; and,

WHEREAS, on October 10, 2001, Resolution No. 01-3025 authorized an Interlocal Agreement with TxDOT; and,

WHEREAS, on April 24, 2002, Resolution No. 02-1346 authorized Supplemental Agreement No. 1 to the contract with Washington Infrastructure Services, Inc.; and,

WHEREAS, on December 11, 2002, Resolution No. 02-3488 authorized Supplemental Agreement No. 2 to the contract with Washington Infrastructure Services, Inc.; and,

WHEREAS, on May 8, 2003, Administrative Action No. 03-1284 authorized Supplemental Agreement No. 3 to the contract with Washington Infrastructure Services, Inc.; and,

WHEREAS, on March 2, 2004, Administrative Action No. 04-0924 authorized Supplemental Agreement No. 4 to the contract with Washington Infrastructure Services, Inc.; and,

WHEREAS, on June 8, 2005, Resolution No. 05-1721 authorized Supplemental Agreement No. 5 to the contract with Washington Group International, Inc. (formerly Washington Infrastructure Services, Inc.); and,

WHEREAS, it was determined to be in the best interest of the City and the project to terminate Washington Group International, Inc. (formerly Washington Infrastructure Services, Inc.) and contract with HNTB Corporation for the design of Phase IV of the Katy Trail extension project; and,

WHEREAS, on February 27, 2008, Resolution No. 08-0683-02 authorized a professional services contract with HNTB Corporation for the design of Phase IV of the Katy Trail extension project; and,

WHEREAS, on December 18, 2008, Administrative Action No. 08-3514 authorized Supplemental Agreement No. 1 to the contract with HNTB Corporation to provide additional engineering and surveying services for Phase IV of the Katy Trail extension project; and,

June 25, 2014

WHEREAS, on September 8, 2010, Resolution No. 10-2297 authorized Supplemental Agreement No. 2 to the design contract with HNTB Corporation on Phase IV of the Katy Trail extension project; and,

WHEREAS, on September 22, 2010, Resolution No. 10-2451 authorized rejection of bids received and re-advertisement of new bids for Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station; and,

WHEREAS, the Phase IV of the Katy Trail extension was re-advertised and bids were received on January 6, 2011, for the construction from Skillman Street to the Northwest Highway DART Station; and,

WHEREAS, on April 13, 2011, Resolution No. 11-0931 authorized a construction contract with The Fain Group, Inc. for the construction of Phase IV of the Katy Trail from Skillman Street to the Northwest Highway DART Station in the amount of \$3,945,823.80; and,

WHEREAS, on April 13, 2011, Resolution No. 11-0932 authorized payment to the Texas Department of Transportation in the amount of \$151,333 for the City's share of engineering and contingency costs for Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station; and,

WHEREAS, on April 13, 2011, Resolution No. 11-0933 authorized license agreements with Dallas Area Transit and Oncor for the use of their right-of-way to construct and maintain the proposed Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station; and

WHEREAS, on December 12, 2012, Resolution No. 12-3058 authorized Change Order No. 1 to the contract with The Fain Group, Inc. for the construction of a modified retaining wall due to unforeseen water main conflict and escalation costs of three prefabricated steel pedestrian bridges for Phase IV of the Katy Trail from Skillman Street to the Northwest Highway DART Station in amount not to exceed \$525,602.00, increasing the contract from \$3,945,823.80 to \$4,471,425.80; and

WHEREAS, on March 6, 2014, Administrative Action No. 14-0077 authorized a service agreement with Oncor Electric Delivery Company, LLC for removing an existing electrical transmission tower and constructing a new electrical transmission tower on the Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station, in an amount not to exceed \$31,594.00.

June 25, 2014

WHEREAS, it is now necessary to authorize a service agreement with Oncor Electric Delivery Company, LLC for removing an existing electrical power pole, constructing a new electrical power pole, and burying 115 linear feet of electrical power line on the Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station, in an amount not to exceed \$33,414.00.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a service agreement with Oncor Electric Delivery Company, LLC for removing an existing electrical power pole, constructing a new electrical power pole, and burying 115 linear feet of electrical power line on the Phase IV of the Katy Trail extension from Skillman Street to the Northwest Highway DART Station, in an amount not to exceed \$33,414.00, after it has been approved as to form by the City Attorney.

Section 2. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the agreement from:

Street and Transportation Improvements Fund	
Fund 5R22, Agency PBW, Unit R276, Act. INGV	
Obj. 4154, Program #PB03R276, CT PBW03R276E2	
Vendor #255302, in an amount not to exceed	\$33,414.00

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 14
DEPARTMENT: Public Works Department
CMO: Jill A. Jordan, P.E., 670-5299
MAPSCO: 45 Various

SUBJECT

CBD Wayfinding and Signage Program, Phase III

- * Authorize **(1)** Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III; **(2)** the receipt and deposit of funds from the Dallas Downtown Improvement District in an amount not to exceed \$100,000; and **(3)** an increase in appropriations in the amount of \$100,000 in the Capital Projects Reimbursement Fund – Total not to exceed \$100,000 - Financing: Capital Projects Reimbursement Funds
- * Authorize a Local Project Advance Funding Agreement with and payment to the Texas Department of Transportation for the design and construction of the Central Business District Wayfinding and Signage Program, Phase III – Not to exceed \$1,668 - Financing: Capital Projects Reimbursement Funds

BACKGROUND

It is necessary for this item to be placed on the addendum because the Arts District has requested to have the project expedited. The City of Dallas, working closely with the Dallas Downtown Improvement District (DID) and the Texas Department of Transportation (TxDOT), has installed over 350 wayfinding signs throughout downtown Dallas as part of the Central Business District (CBD) Wayfinding and Signage Program. This action will authorize Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District and a Local Project Advance Funding Agreement with and payment to the Texas Department of Transportation for the design and construction of the CBD Wayfinding and Signage Program, Phase III.

BACKGROUND (Continued)

The CBD Wayfinding and Signage Program, Phase I project installed 211 signs and was completed in August 2006, and the Phase II project installed 156 signs and was completed in February 2014. Phase III will primarily include wayfinding signage to the AT&T Performing Arts Center and the Dallas Black Dance Theatre.

The scope of this project entails the fabrication and installation of various types of wayfinding signs and associated items necessary to complete the project at various locations within the Dallas Central Business District.

ESTIMATED SCHEDULE OF PROJECT

Began Design	April 2014
Completed Design	July 2014
Begin Construction	January 2015
Complete Construction	July 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized Strategic Programming Initiative on March 27, 2002, by Resolution No. 02-1097.

Briefed the Council Transportation and Telecommunication Committee on May 13, 2002.

Briefed the Park Board on May 16, 2002.

Landmark Commission approved the Certificate of Appropriateness on September 9, 2002.

Authorized endorsement of the recommendations from CBD Study on January 22, 2003, by Resolution No. 03-0396.

Authorized Participation Agreement with the Dallas Improvement District on January 22, 2003, by Resolution No. 03-0397.

Authorized an Interlocal Local Agreement (ILA) with TxDOT for Phase I of CBD Wayfinding and Signage Program on January 22, 2003, by Resolution No. 03-0398.

Authorized a contract with Bunting Graphics, Inc. for the fabrication and installation of signs for CBD Wayfinding and Signage Program, Phase I on June 23, 2004, by Resolution No. 04-2038.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

Authorized Supplemental Agreement No.1 with DID for CBD Wayfinding and Signage Program on November 8, 2006, by Resolution No. 06-3078.

Authorized ILA with TxDOT for Phase II of CBD Wayfinding and Signage Program, on November 8, 2006, by Resolution No. 06-3079.

Authorized a contract with Architectural Graphics, Inc. for the fabrication and installation of signs for CBD Wayfinding and Signage Program, Phase II on April 14, 2010, by Resolution No. 10-0874.

FISCAL INFORMATION

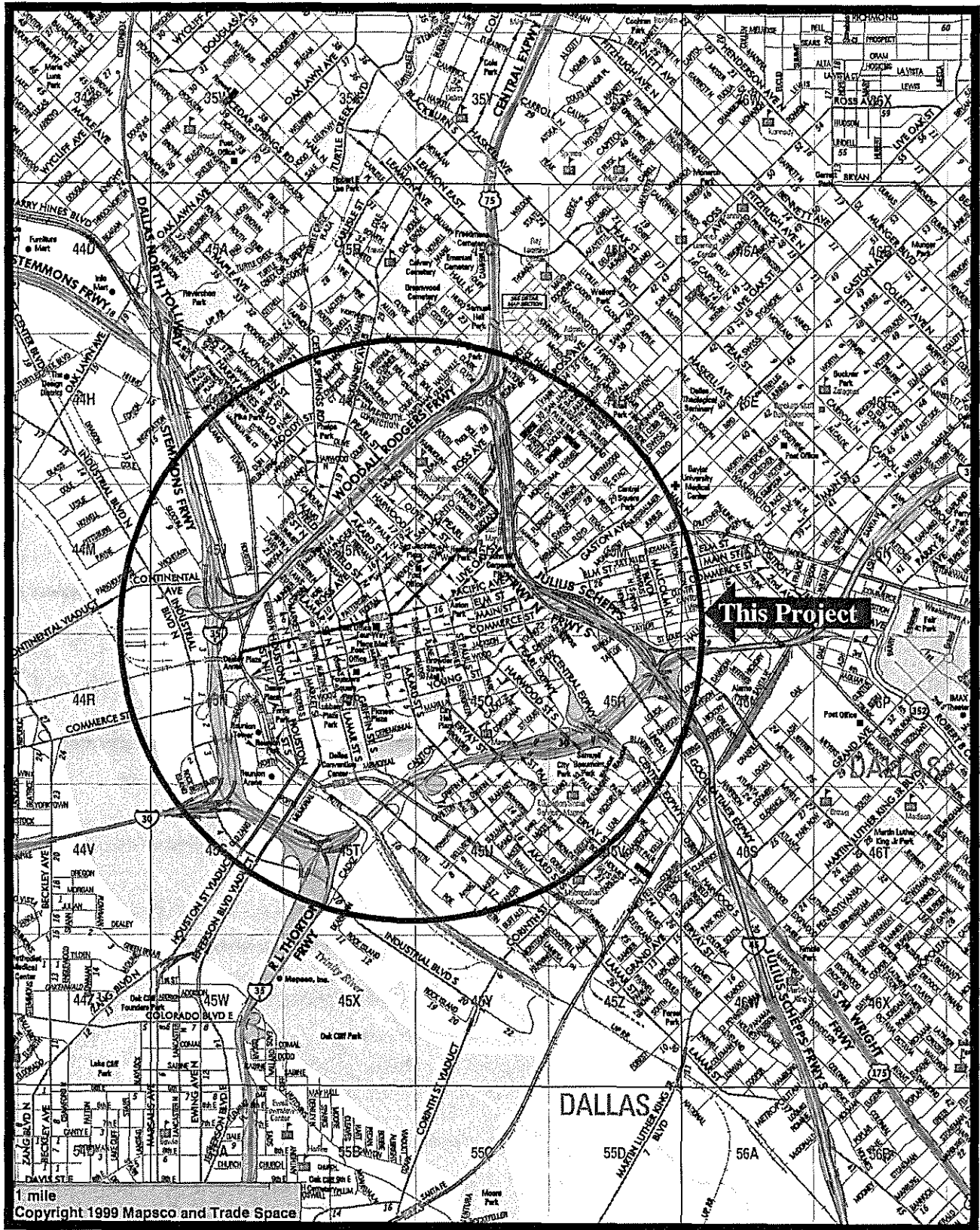
Capital Projects Reimbursement Funds - \$100,000.00

Capital Projects Reimbursement Funds - \$1,667.76

MAP

Attached.

CBD Wayfinding/Signage



June 25, 2014

WHEREAS, the Dallas Central Business District (CBD) Wayfinding and Signage Program implements the Dallas Plan's policies related to the Center City and the 1998 Center City Transportation System Management Study; and,

WHEREAS, the Wayfinding and Signage Program has been developed by the City of Dallas, City Center TIF, DART, Dallas Convention and Visitors Bureau, Dallas County, Dallas Downtown Improvement District (DID) and the Dallas Plan; and,

WHEREAS, on March 27, 2002, Resolution No. 02-0757 authorized the submission, acceptance and implementation of the City of Dallas candidate projects selected for funding by the North Central Texas Council of Governments' (NCTCOG) Regional Transportation Council as part of the NCTCOG Strategic Programming Initiative under the Transportation Equity Act of the 21st Century (TEA-21); and,

WHEREAS, the CBD Wayfinding and Signage Program was accepted as a candidate project in the Strategic Programming Initiative Call for Projects under TEA-21 in July 2002; and,

WHEREAS, on January 22, 2003, Resolution No. 03-0396 authorized endorsement of the recommendations from the CBD Study; and,

WHEREAS, on January 22, 2003, Resolution No. 03-0397 authorized a participation Agreement with Downtown Improvement District (DID) for the design and construction of the CBD Wayfinding and Signage Program; and,

WHEREAS, on June 23, 2004, Resolution No. 04-2038 authorized a contract with Bunting Graphics, Inc. for the fabrication and installation of signs for the CBD Wayfinding and Signage Program, Phase I; and,

WHEREAS, on November 8, 2006, Resolution No. 06-3078 authorized Supplemental Agreement No.1 to the Participation Agreement with the DID for the design and construction of the CBD Wayfinding and Signage Program, Phase II; and,

WHEREAS, on November 8, 2006, Resolution No. 06-3079 authorized an Interlocal Agreement with the Texas Department of Transportation for the design and construction of the CBD Wayfinding and Signage Program, Phase II; and,

WHEREAS, bids were received on January 28, 2010, for the CBD Wayfinding and Signage Program, Phase II; and,

WHEREAS, on April 14, 2010, Resolution No. 10-0874 authorized a contract with Architectural Graphics, Inc. for the fabrication and installation of signs for the CBD Wayfinding and Signage Program, Phase II; and,

June 25, 2014

WHEREAS, it is now necessary to authorize Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District for the design and construction of the CBD Wayfinding and Signage Program, Phase III.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute Supplemental Agreement No. 2 to the Participation Agreement with the Dallas Downtown Improvement District for the design and construction of the CBD Wayfinding and Signage Program, Phase III, after it has been approved as to form by the City Attorney.

Section 2. That the City Controller is hereby authorized to receive and deposit funds from the Dallas Downtown Improvement District in accordance with the terms and conditions of the agreement in an amount not to exceed \$100,000.00 in Fund 0556, Department PBW, Unit P899, Revenue Source 8492.

Section 3. That the City Manager is hereby authorized to increase appropriations in the Capital Projects Reimbursement Fund 0556 Department PBW, Unit P899, Obj. 4432, in the amount of \$100,000.00.

Section 4. That in accordance with the provisions of the agreement with the Dallas Downtown Improvement District, the City Controller is hereby authorized to return any unused funds upon completion of this project to the Dallas Downtown Improvement District.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

June 25, 2014

WHEREAS, the Dallas Central Business District (CBD) Wayfinding and Signage Program implements the Dallas Plan's policies related to the Center City and the 1998 Center City Transportation System Management Study; and,

WHEREAS, the Wayfinding and Signage Program has been developed by the City of Dallas, City Center TIF, DART, Dallas Convention and Visitors Bureau, Dallas County, Dallas Downtown Improvement District (DID) and the Dallas Plan; and,

WHEREAS, on March 27, 2002, Resolution No. 02-0757 authorized the submission, acceptance and implementation of the City of Dallas candidate projects selected for funding by the North Central Texas Council of Governments' (NCTCOG) Regional Transportation Council as part of the NCTCOG Strategic Programming Initiative under the Transportation Equity Act of the 21st Century (TEA-21); and,

WHEREAS, the CBD Wayfinding and Signage Program was accepted as a candidate project in the Strategic Programming Initiative Call for Projects under TEA-21 in July 2002; and,

WHEREAS, on January 22, 2003, Resolution No. 03-0396 authorized endorsement of the recommendations from the CBD Study; and,

WHEREAS, on January 22, 2003, Resolution No. 03-0397 authorized a participation Agreement with Downtown Improvement District (DID) for the design and construction of the CBD Wayfinding and Signage Program; and,

WHEREAS, on June 23, 2004, Resolution No. 04-2038 authorized a contract with Bunting Graphics, Inc. for the fabrication and installation of signs for the CBD Wayfinding and Signage Program, Phase I; and,

WHEREAS, on November 8, 2006, Resolution No. 06-3078 authorized Supplemental Agreement No.1 to the Participation Agreement with the DID for the design and construction of the CBD Wayfinding and Signage Program, Phase II; and,

WHEREAS, on November 8, 2006, Resolution No. 06-3079 authorized an Interlocal Agreement with the Texas Department of Transportation for the design and construction of the CBD Wayfinding and Signage Program, Phase II; and,

WHEREAS, bids were received on January 28, 2010, for the CBD Wayfinding and Signage Program, Phase II; and,

WHEREAS, on April 14, 2010, Resolution No. 10-0874 authorized a contract with Architectural Graphics, Inc. for the fabrication and installation of signs for the CBD Wayfinding and Signage Program, Phase II; and,

June 25, 2014

WHEREAS, it is now necessary to authorize a Local Project Advance Funding Agreement with and payment to the Texas Department of Transportation for the design and construction of the CBD Wayfinding and Signage Program, Phase III in the amount of \$1,667.76.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to execute a Local Project Advance Funding Agreement with and payment to the Texas Department of Transportation for the design and construction of the CBD Wayfinding and Signage Program, Phase III in an amount not to exceed \$1,667.76, after it has been approved as to form by the City Attorney.

Section 2. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions from:

Capital Projects Reimbursement Fund	
Fund 0556, Department PBW, Unit P889, Act. TRMS	
Obj. 4432, Program #PBPRP899, CT PBWPRP89911	
Vendor #239588, in an amount not to exceed	\$1,667.76

Section 3. That the City Controller is hereby authorized to deposit any unused private funds advanced to the Texas Department of Transportation pertaining to this project into Fund 0556, Department PBW, Unit P899, Object 4432.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 9

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: City Secretary

CMO: Rosa A. Rios, 670-3738

MAPSCO: N/A

SUBJECT

A resolution designating an absence by Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman as being for "Official City Business" - Financing: No cost consideration to the City

BACKGROUND

This item is on the addendum to allow council members additional time to request approval of their outstanding absences (if applicable) as "Official City Business."

Chapter III, Section 4(e) of the Dallas City Charter provides in part, "If any city council member, including the mayor, misses more than 10 percent of the total number of regular meetings held by the city council during any compensation year, then the city council member's compensation...for that year will be reduced proportionately by the percentage of meetings missed.... Meetings missed by a city council member while he or she is on the official business of the city council and at the direction of the city council will not be counted towards the percentage of missed meetings for which compensation reduction is required... but will be counted as though the member had attended the meetings that are missed while so engaged in city business."

Section 4.11(b) of the City Council Rules of Procedure provides that an absence by a council member for (1) attending a meeting or conference of a professional organization of or association of municipalities or municipal officers, (2) testifying at a legislative hearing at the request of the mayor, the city council, the chair of the council's legislative affairs committee or the city manager, or (3) attending a meeting of a board, commission, or committee to which the council member has been appointed by the mayor or the city council, will automatically be deemed to be for "official city business at the direction of the city council" and will not be counted against a city council member for purposes of determining the council member's annual compensation.

BACKGROUND (Continued)

Section 4.11(c) of the City Council Rules of Procedure provides that, in addition to those absences automatically considered to be on "official city business at the direction of the city council" under Section 4.11(b) above, the city council may by resolution designate whenever a council member's absence is for official city business and not counted as a missed meeting for purposes of determining the council member's annual compensation under Chapter III, Section 4 of the Dallas City Charter.

The proposed resolution authorizes and directs the city secretary to amend the minutes of city council meetings, without further city council action or approval, to reflect when the absences by designated council members have been deemed by the city council to be for "official city business."

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

June 25, 2014

WHEREAS, Chapter III, Section 4(e) of the Dallas City Charter provides in part, "If any city council member, including the mayor, misses more than 10 percent of the total number of regular meetings held by the city council during any compensation year, then the city council member's compensation... for that year will be reduced proportionately by the percentage of meetings missed.... Meetings missed by a city council member while he or she is on the official business of the city council and at the direction of the city council will not be counted towards the percentage of missed meetings for which compensation reduction is required... but will be counted as though the member had attended the meetings that are missed while so engaged in city business"; and

WHEREAS, Section 4.11(b) of the City Council Rules of Procedure provides that an absence by a council member for (1) attending a meeting or conference of a professional organization or association of municipalities or municipal officers, (2) testifying at a legislative hearing at the request of the mayor, the city council, the chair of the council's legislative affairs committee or the city manager, or (3) attending a meeting of a board, commission, or committee to which the council member has been appointed by the mayor or the city council, will automatically be deemed to be for "official city business at the direction of the city council" and will not be counted against a city council member for purposes of determining the council member's annual compensation; and

WHEREAS, Section 4.11(c) of the City Council Rules of Procedure provides that, in addition to those absences automatically considered to be on "official city business at the direction of the city council" under Section 4.11(b) above, the city council may by resolution designate whenever a council member's absence is for official city business and not counted as a missed meeting for purposes of determining the council member's annual compensation under Chapter III, Section 4 of the Dallas City Charter; and

WHEREAS, Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman participated in event(s) and/or meeting(s), as described in **Exhibit A** attached, which required them to miss all or part of one or more city council meeting(s) or committee meeting(s) on the date(s) noted in Exhibit A; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

June 25, 2014

SECTION 1. That, in accordance with Chapter III, Section 4(e) of the Dallas City Charter and Section 4.11(c) of the City Council Rules of Procedure, the event(s) and/or meeting(s) described in **Exhibit A**, attached, are hereby deemed to be for "official city business," and any absences from city council meeting(s) and/or city council committee meeting(s), on the date(s) noted in Exhibit A, by Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman because of their participation in any event(s) and/or meeting(s) will not be counted against them in determining their annual compensation under Chapter III, Section 4 of the Dallas City Charter.

SECTION 2. That, in accordance with Section 4.11(a) of the City Council Rules of Procedure, the City Secretary shall maintain a record of the absence on official city business so that such absence will not count against Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman in determining their annual compensation under Chapter III, Section 4 of the Dallas City Charter.

SECTION 3. That the City Secretary is authorized and directed to amend the minutes of each city council meeting held on the date(s) specified in Exhibit A, if applicable, to reflect that the absence by Councilmember Scott Griggs, Councilmember Dwaine R. Caraway, Councilmember Carolyn R. Davis and Councilmember Lee M. Kleinman as described in Exhibit A, was for "official city business," and no further city council action or approval of those minutes is required.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A
CITY COUNCIL MEMBER(S)
REQUEST ABSENT AS OFFICIAL CITY BUSINESS

COUNCILMEMBER	TRIP/EVENT	LOCATION	DATE	PURPOSE	MEETING(S) MISSED	ABSENCE TYPE
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	2/18/2014	Official City Business	Housing Committee Meeting	Absent
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	2/19/2014	Official City Business	City Council Briefing	Absent more than 50%
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	4/14/2014	Official City Business	Public Safety Committee Meeting	Absent
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	4/23/2014	Official City Business	City Council Agenda Meeting	Absent more than 50%
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	4/28/2014	Official City Business	Public Safety Committee Meeting	Absent
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	5/19/2014	Official City Business	Housing Committee Meeting	Absent more than 50%
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	5/21/2014	Official City Business	City Council Briefing	Absent more than 50%
Lee M. Kleinman	Meeting with constituents of the district	Dallas City Hall, 5FN	6/9/2014	Representing District 11	Quality of Life Committee Meeting	Absent more than 50%
Dwaine R. Caraway	Meeting due to official city business	Dallas, TX	6/9/2014	Official City Business	Public Safety Committee Meeting	Absent more than 50%

EXHIBIT A
 CITY COUNCIL MEMBER(S)
 REQUEST ABSENT AS OFFICIAL CITY BUSINESS

COUNCILMEMBER	TRIP/EVENT	LOCATION	DATE	PURPOSE	MEETING(S) MISSED	ABSENCE TYPE
Scott Griggs	Meeting with Dallas County Schools	Dallas, TX	6/16/2014	Representing District 1	Housing Committee Meeting	Absent more than 50%
Dwaine R. Caraway	Attended a tour with City Manager A.C. Gonzalez	Dallas, TX	6/16/2014	Official City Business	Housing Committee Meeting	Absent
Carolyn R. Davis	Attended a VITAS-Alzheimer's luncheon with Stephanie J. Moore, JD	Dallas, TX	6/16/2014	Representing District 7	Arts, Culture & Libraries Committee Meeting	Absent more than 50%

ADDENDUM ITEM # 10

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: City Secretary

CMO: Rosa A. Rios, 670-5654

MAPSCO: N/A

SUBJECT

A resolution authorizing **(1)** an increase in the joint elections agreement and election services contract between the City of Dallas and Dallas County for the May 11, 2013 general election in an amount not to exceed \$382,363, from \$858,344 to \$1,240,707; and **(2)** an increase in appropriations in an amount not to exceed \$382,363, from \$1,119,514 to \$1,501,877 in the City Secretary's Office Elections budget - Not to exceed \$382,363 - Financing: Current Funds

BACKGROUND

This item is on the addendum to allow sufficient time to verify funding information and total dollars to be appropriated/applied to FY 2012-2013 as related to the May 11, 2013 general election.

Chapter 31, Subchapter D, of the Texas Election Code provides the City may contract with the county elections administrator for certain election services. The elections administrator first provides an estimate to each participating jurisdiction which is required to be paid in advance. Following the election, the elections administrator performs an election audit and will either (1) bill each participating jurisdiction for any additional amount owed, less the cost estimate paid; or (2) issue a refund in the event the cost estimate paid by participating jurisdictions exceeded the actual cost.

The Dallas County Elections Department (DCED) provided the May 11, 2013 general election cost estimate at \$449,708.04, approved by the City on March 27, 2013, and paid to DCED on April 9, 2013. On December 23, 2013, the city was notified by DCED their final audit for the May 11, 2013 general election indicated the total cost of the election, to be paid by the city, was \$832,070.61. Less the deposit paid, the city is shown to have a balance owed in the amount of \$382,362.47. According to DCED, those additional costs were due primarily to the Dallas County School Board's partial withdrawal of the county-wide portion of their election; resulting in the city (as well as other participating jurisdictions) having to incur additional costs.

BACKGROUND (Continued)

On January 7, 2014, the City Secretary's Office (SEC) requested the city auditor conduct its own audit, which would determine the final amount to be paid to DCED, outside of the cost estimate already paid. The audit has yet to be finalized as there is outstanding documentation still to be provided by DCED. However, if the audit determines the additional costs are valid and should be paid, the City Secretary's Office will exceed their FY 2012-13 City Council approved appropriations. Therefore, the need exists to seek additional appropriations/city council authorization in the event the audit determines an additional amount should be submitted to the Dallas County Elections Administrator and before the City closes all financial matters relating to FY 2012-2013.

The final payment to be made to DCED will depend largely on the findings of the city's audit. Further, the Budget, Finance & Audit Committee will be briefed prior to making any final payment to DCED.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Resolution No. 13-0546, passed by the City Council on March 27, 2013, authorized a joint election agreement and election services contract between the City of Dallas and Dallas County, in an amount not to exceed \$449,709, to cover the "estimated" costs and initial deposit due to Dallas County, for the conduct of a general election subsequently held on Saturday, May 11, 2013.

FISCAL INFORMATION

\$382,363.00 – Current Funds

June 25, 2014

WHEREAS, the City Council ordered a general election to be held on Saturday, May 11, 2013; and

WHEREAS, the City of Dallas and the other jurisdictions holding elections on May 11, 2013 desired to hold the elections jointly in accordance with Chapter 271 of the Texas Election Code; and

WHEREAS, the City had contracted with the Dallas County Elections Administrator for election services for the May 11, 2013 general election in accordance with Subchapter D of Chapter 31 of the Texas Election Code;

WHEREAS, the City Council on March 27, 2013 authorized the contract between City of Dallas and the Dallas County Elections Administrator for the estimated cost of election services in the amount of \$449,708.04 for the May 11, 2013 general election;

WHEREAS, on April 9, 2013 the City Secretary's Office disbursed the total deposit amount of \$449,708.04 to the Dallas County Elections Administrator for elections services costs for the May 11, 2013 general election;

WHEREAS, the Dallas County Elections Administrator on December 23, 2013 notified the City Secretary's Office of additional election services costs for the May 11, 2013 general election in the amount of \$382,362.57;

WHEREAS, it is now necessary to authorize an increase in the election services contract with the Dallas County Elections Administrator for the May 11, 2013 General Election in an amount not exceed \$382,362.57, and; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to increase the joint elections agreement and election services contract between the City of Dallas and Dallas County, in an amount not to exceed \$382,363, from \$858,344 to \$1,240,707.

Section 2. That the City Manager is hereby authorized to increase appropriations in Elections by \$382,363 from \$1,119,514 to \$1,501,877 in Fund 0001, Department SEC, Unit 1190.

Section 3. That the City Manager is hereby authorized to decrease appropriations in Non-Departmental by \$382,363 from \$33,238,552 to \$32,856,189 in Fund 0001, Department BMS, Unit 1991.

June 25, 2014

Section 4. That the City Controller is hereby authorized to disperse a total amount not to exceed \$382,363 from Fund 0001, Department SEC, Unit 1190, Object Code 3070, Encumbrance No. SEC1190E555, Vendor 014003 for deposit in the election services contract fund as the City's estimated share of the costs of the general, special and runoff elections.

Section 5. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

ADDENDUM ITEM # 11

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: City Secretary
City Attorney's Office

CMO: Rosa Rios, 670-5654
Warren M.S. Ernst, 670-3491

MAPSCO: N/A

SUBJECT

An ordinance amending Ordinance No. 20231, as amended, to adopt new, renumbered and revised city election precincts - Financing: No cost consideration to the City

BACKGROUND

This item is on the addendum to allow staff additional time to verify with Dallas, Collin and Denton Counties of any precinct changes within the City's boundaries.

Section 42.061 of the Texas Election Code requires the City to establish precincts for city elections. The City uses county election precincts that are wholly or partially within the City as City election precincts.

Dallas County re-numbered and revised election precincts since the last time the City adopted its precincts in 2013. Collin County had no changes to its election precincts since the last time the City adopted its precincts in 2011. Denton County had no changes to its election precincts since they were adopted in 2013. The proposed ordinance revises the city election precincts to conform with Dallas County election precincts to the extent that the county precincts are within the City of Dallas.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

ORDINANCE NO. _____

An ordinance amending Ordinance No. 20231, as amended; adopting the boundaries of election precincts to the extent that they are within the corporate limits of the city; adding, revising, and renumbering certain election precincts to coincide with Dallas County election precincts; providing a saving clause; and providing an effective date.

WHEREAS, the city council passed Ordinance No. 20231 on March 8, 1989, which was amended by Ordinance No. 20741 on September 26, 1990, Ordinance No. 21350 on June 24, 1992, Ordinance No. 21579 on February 24, 1993, Ordinance No. 22343 on February 22, 1995, Ordinance No. 22693 on February 28, 1996, Ordinance No. 23348 on November 14, 1997, Ordinance No. 24800 on January 9, 2002, Ordinance No. 25696 on August 11, 2004, Ordinance No. 27484 on February 11, 2009, Ordinance No. 28147 on March 9, 2011, and Ordinance 28937 on February 27, 2013, to adopt as the election precincts of the city those county election precincts that had previously been established by order of the commissioners courts of Dallas County, Collin County, Denton County, and Rockwall County, Texas, to the extent that each county election precinct is within the corporate limits of the city of Dallas; and

WHEREAS, since the passage of Ordinance Nos. 20231, 20741, 21350, 21579, 22343, 22693, 23348, 24800, 25696, 27484, 28147, and 28937, the commissioners court of Dallas County, Texas has added new Dallas County election precincts and renumbered and revised the boundaries of existing Dallas County election precincts, which changes became effective September 24, 2013, and some of those precincts are within the corporate limits of the city of Dallas; and

WHEREAS, in order to comply with Section 42.061 of the Texas Election Code, which prohibits city election precincts from dividing county election precincts except as necessary to follow the city's boundaries, the city council is required to establish boundaries for city election precincts that coincide with county election precincts to the extent that the county precincts are within the corporate limits of the city; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 1 of Ordinance No. 20231, as amended, is amended by adding new Dallas County election precincts and renumbering and revising the boundaries of existing Dallas County election precincts in accordance with the attached Exhibits A and B. Exhibit A is Dallas County Commissioners Court Order No. 2013-1573, which adopted new renumbered and revised Dallas County election precincts. Exhibit B is a map of the 2014 City of Dallas election precincts.

SECTION 2. That Ordinance No. 20231, as amended, will remain in full force and effect, save and except as amended by this ordinance.

SECTION 3. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

WARREN M. S. ERNST, City Attorney

By _____
Assistant City Attorney

Passed _____

EXHIBIT A

**COPY OF DALLAS COUNTY COMMISSIONERS COURT
ORDER NO. 2013-1573 ADOPTING NEW, RENUMBERED, AND
REVISED DALLAS COUNTY ELECTION PRECINCTS**

ORDER NO. **2013 1573** COURT ORDER


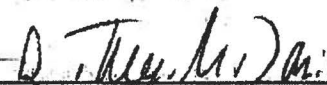
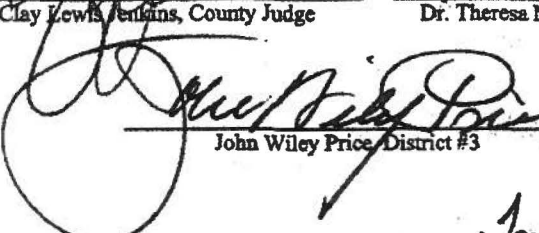
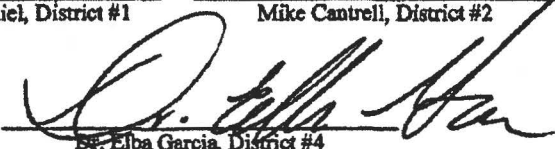

DATE: September 24, 2013
STATE OF TEXAS §
COUNTY OF DALLAS §

BE IT REMEMBERED, at a regular meeting of the Commissioners Court of Dallas County, Texas, held on the 24th day of September, 2013 on motion made by Dr. Theresa M. Daniel, Comm. of District 1 and seconded by John Wiley Price, Comm. of District 3 the following Order was adopted:

- WHEREAS, On July 17, 2013 the Dallas County Elections Department was notified by the Texas Legislative Council of a new redistricting plan implemented by the 83rd Legislature, 1st Called Session which passed Senate Bill 3 (SB-3), House Plan 358 (Plan H358), making changes to State House districts in Dallas County; and
- WHEREAS, on September 24, 2013, the Dallas County Commissioner Court was briefed by the Dallas County Elections Department concerning the interim redistricting required pursuant to Plan H358; and
- WHEREAS, as a result of this newly mandated redistricting, thirty-nine (39) precincts have been affected: twenty-three (23) new precincts being created; and, ten (10) whole precinct boundaries and six (6) nominal portions have been changed within Dallas County; and
- WHEREAS, with the addition of the 23 new precincts, there will be a total of 797 precincts in Dallas County, as detailed in DCED's briefing document; and
- WHEREAS, redistricting pursuant to Plan H358 will not affect Early Voting Locations; and
- WHEREAS, The new precinct lines and numbers will become effective September 24, 2013; and, new voter certificates will be mailed to each registered voter on or before October 1, 2013; and
- WHEREAS, the estimated cost of \$5,000.00 for NCTOG to complete the precinct boundaries changes and provide maps; and \$6,000.00 for cost of printing production and postage to mail out new voter registration certificates to affected voters; and
- WHEREAS, pursuant to Document No. 886 (Doc. 886) filed on September 6, 2013 in Case No. 5:11-cv-00360-OLG-JES-XR in the United States District Court for the Western District of Texas, San Antonio Division (included as "Attachment 4), Dallas County Commissioners Court must use Plan H358 as adopted by the 83rd Legislature House of Representatives.
- WHEREAS, pursuant to Doc 886, because the changes to county election precinct boundaries are necessary to give effect to redistricting plans under Article III, Section 28 of the Texas Constitution, the Commissioners Court must order and adopt the changes prescribed in Plan H358 to take effect on or before September 24, 2013; and
- WHEREAS, this action supports Vision 1 of the County's Strategic Plan, Vision 1, Strategy 1.4 "because proficiencies in processes and customer focused systems will allow the county to better serve its taxpayers/voters/citizens; then

IT IS THEREFORE ORDERED, ADJUDGED and DECREED that the Dallas County Commissioners Court does hereby approve and adopt the attached voting precinct changes within Dallas County; and that the changes to Dallas County's voting precincts become effective on September 24, 2013 in accordance with Document 886 and Plan H358.

DONE IN OPEN COURT this the 24th day of September, 2013.

 <hr/> Clay Lewis Jenkins, County Judge	 <hr/> Dr. Theresa M. Daniel, District #1	ABSENT <hr/> Mike Cantrell, District #2
 <hr/> John Wiley Price, District #3	 <hr/> Dr. Elba Garcia, District #4	
Recommended By: 		

Comparison of 2012 precincts to September 2013 Legislative ordered House plan 358 with Description of changes and District information for Dallas County

Precinct (2012)	2013 Precinct	Estimated Register Voters in 2013 Precinct	Dallas County Elections (DCED) Brief Explanation of Changes from House Plan H358	2012 County Comm	2012 County JP	2012 U.S. Cong.	2013 State House	2012 State Senate	2012 State Board of Education
1052	1059	1540	Nominal portion of 1052 was merged with 1059 (Old LD107)	CM1	JP2	05	100	02	S12
1111	1140	0	Boundary change, nominal West split at Rylie Rd to create new pct #1140 (Old LD109)	CM1	JP1	30	110	02	S13
1116	1141	0	Boundary change, nominal Southeast street border split along Oats Dr created new pct #1141 (Old LD100)	CM1	JP2	30	107	02	S13
1309	1317	0	Boundary change, South portion split along Samuell Blvd to create new pct #1317 (Old LD100)	CM1	JP2	05	107	02	S13
1707	1730	0	Boundary change, South portion split along I-635 west portion created new pct #1730 (Old LD112)	CM1	JP2	05	114	16	S12
1707	1731	0	Boundary change, South portion split along I-635 east portion created new pct #1731 (Old LD112)	CM1	JP2	05	107	16	S12
2001	2306	1198	Nominal portion of 2001 was merged with 2306 (Old LD115)	CM2	JP3	24	115	16	S11
2003	2305	2951	Nominal portion of 2003 was merged with 2305 (Old LD114)	CM2	JP3	24	115	16	S11
2004	2305	2951	Nominal portion of 2004 was merged with 2305 (Old LD114)	CM2	JP3	24	115	16	S11
2024	2021	3442	Nominal portion of 2024 was merged with 2021 (Old LD114)	CM2	JP3	32	108	16	S12
2053	2305	2951	Nominal portion of 2053 was merged with 2305 (Old LD114)	CM2	JP3	24	115	16	S11
2076	2076	12	Whole Precinct changed to new House District 103 (Old LD115)	CM2	JP5	24	103	16	S13
2308	2308	19	Whole Precinct changed to new House District 103 (Old LD115)	CM2	JP3	24	103	16	S11
2309	2309	353	Whole Precinct changed to new House District 103 (Old LD115)	CM2	JP3	24	103	16	S13
2311	2311	491	Whole Precinct changed to new House District 115 (Old LD103)	CM2	JP3	24	115	16	S11
2409	2409	1817	Whole Precinct changed to new House District 115 (Old LD103)	CM2	JP3	24	115	16	S11
2411	2411	691	Whole Precinct changed to new House District 115 (Old LD103)	CM2	JP3	24	115	16	S11
2900	2305	2951	Nominal portion of 2900 was merged with 2305 (Old LD102)	CM2	JP3	24	115	16	S11

Precinct (2012)	2013 Precinct	Estimated Register Voters in 2013 Precinct	Dallas County Elections (DCED) Brief Explanation of Changes from House Plan H358	2012 County Comm	2012 County JP	2012 U.S. Cong.	2013 State House	2012 State Senate	2012 State Board of Education
3008	3095	0	Boundary change, nominal South street border along I-35E change created new pct #3095 (Old LD108)	CM3	JP1	30	100	23	S12
3011	3090	950	Nominal portion of 3011 was merged with 3090 (Old LD108)	CM3	JP1	30	100	23	S12
3033	3096	0	Boundary change, West portion split along I-35E Service Rd/S Ewing Ave to create new pct #3096 (Old LD100)	CM3	JP5	30	104	23	S13
3049	3097	186	Boundary change, South portion split at E Pentagon Pkwy/Kingsley Dr to create new pct #3097 (Old LD109)	CM3	JP1	30	110	23	S13
3050	3098	260	Boundary change, South portion split at Kingsley Dr/S Lancaster Rd to create new pct #3098 (Old LD109)	CM3	JP1	30	110	23	S13
3069	3099	356	Boundary change, South corner split at MidwayPlaza Blvd/San Jose Ave/Mojave Dr/Texoma Way to create new pct #3099 (Old LD110)	CM3	JP1	30	109	23	S13
3070	3073	156	Boundary change, South corner split at Mojave Dr/Shadow Creek Dr/Cedar Ranch Dr to create new pct #3073 (Old LD110)	CM3	JP1	30	109	23	S13
3109	3113	3	Boundary change, nominal West street border created new pct #3113 (Old LD109)	CM3	JP4	30	111	23	S13
3112	3112	19	Whole Precinct changed to new House District 109 (Old LD111)	CM3	JP4	30	109	23	S13
3411	3411	3	Whole Precinct changed to new House District 113 (Old LD109)	CM3	JP1	30	113	02	S13
3600	3621	0	Boundary change, couple blocks along East side of Hampton Rd split to create new pct #3621 (Old LD111)	CM3	JP4	30	109	23	S13
4000	4121	0	Boundary change, nominal West border around California Crossing Park changed and created new pct #4121 (Old LD103)	CM4	JP5	24	105	16	S13
4051	4122	0	Boundary change, West portion split at S Belt Line Rd to create new pct #4122 (Old LD104)	CM4	JP1	30	105	23	S13
4082	4123	0	Boundary change, nominal East street border created new pct #4123 (Old LD103)	CM4	JP5	33	104	23	S13
4083	4124	0	Boundary change, nominal SouthEast street border created new pct #4124 (Old LD103)	CM4	JP5	33	104	23	S13
4099	4125	0	Boundary change, nominal West street border created new pct #4125 (Old LD108)	CM4	JP3	24	103	16	S12
4500	4539	0	Boundary change, nominal North street border created new pct #4539 (Old LD111)	CM4	JP4	30	104	23	S13

Precinct (2012)	2013 Precinct	Estimated Register Voters in 2013 Precinct	Dallas County Elections (DCED) Brief Explanation of Changes from House Plan H358	2012 County Comm	2012 County JP	2012 U.S. Cong.	2013 State House	2012 State Senate	2012 State Board of Education
4518	4540	0	Boundary change, nominal SouthEast street border created new pct #4540 (Old LD105)	CM4	JP4	33	104	09	S13
4521	4541	0	Boundary change, nominal East portion of border created new pct #4541 (Old LD105)	CM4	JP4	30	104	09	S13
4522	4542	0	Boundary change, NorthEast tip split at Mansfield Rd to create new pct #4542 (OldLD 111)	CM4	JP4	30	104	23	S13
4527	4604	2705	Nominal portion of 4527 was merged with 4604 (Old LD 104)	CM4	JP4	33	105	09	S13
4537	4537	4	Whole Precinct changed to new House District 111 (Old LD109)	CM4	JP4	30	111	23	S13
4635	4664	975	Boundary change, split at N Macarthur Blvd, West portion original pct 4635; East Portion created new pct #4664 (Old LD115)	CM4	JP4	24	103	16	S11
4637	4637	2450	Whole Precinct changed to new House District 103 (Old LD115)	CM4	JP4	24	103	16	S11

EXHIBIT B

MAP OF 2014 CITY OF DALLAS ELECTION PRINCINCTS

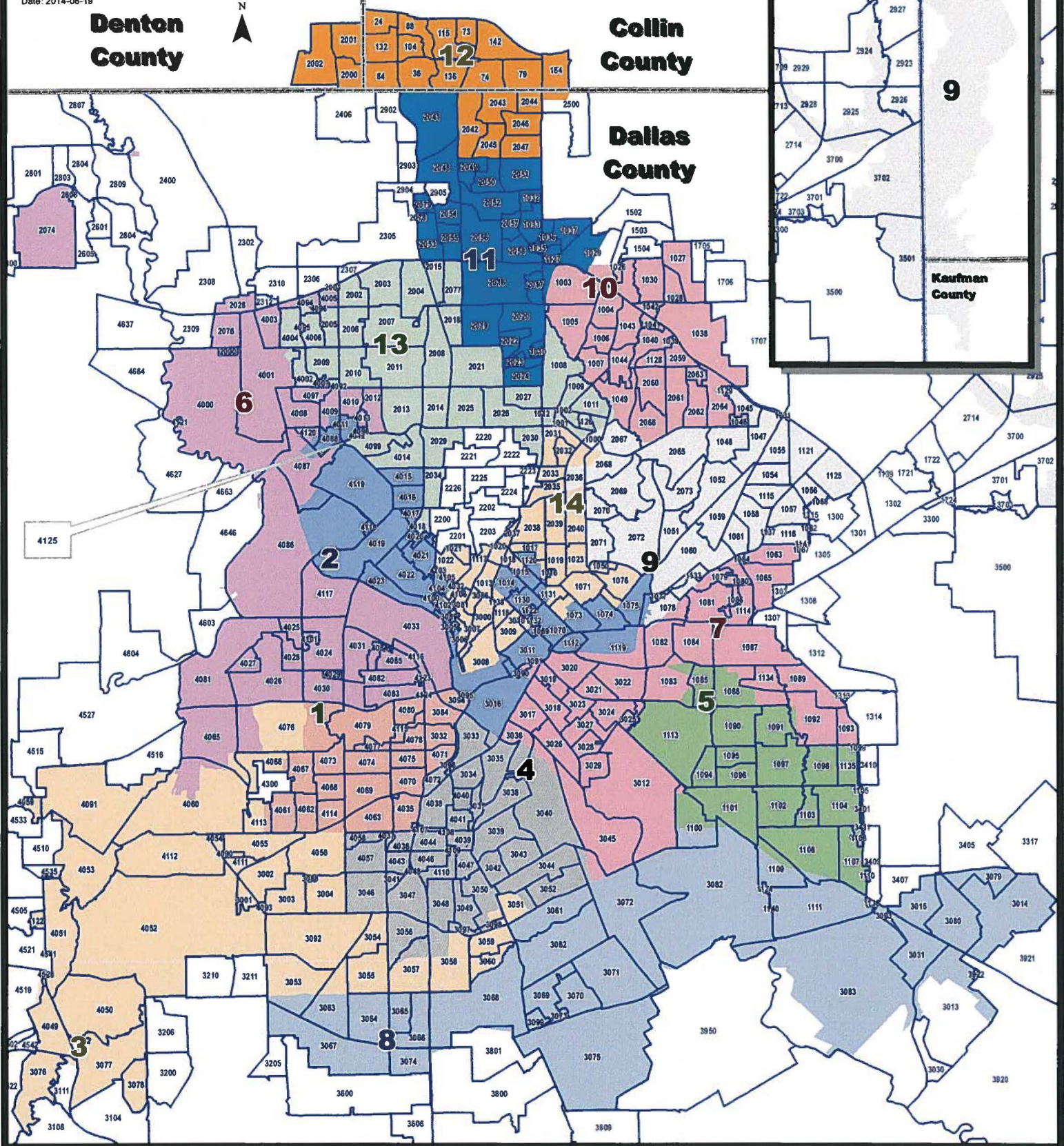
Data Source:
Precincts - County election offices
(Dallas, Collin, Denton)
Council Districts - City GIS Services
City of Dallas GIS Services
1500 Marilla St. 7FS

City of Dallas GIS Map Disclaimer:
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

The City of Dallas makes no representation of any kind, including, but not limited to, warranties of merchantability or fitness for a particular purpose or use, nor are any such warranties to be implied with respect to the accuracy information/data presented on this map. Transfer, copies and/or use of information in this map without the presentation of this disclaimer is prohibited.

*State of Texas: H.B. 1147
Date: 2014-06-19

City of Dallas Council Districts with 2014 Election Precincts



ADDENDUM ITEM # 12

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: City Secretary
City Attorney's Office

CMO: Rosa A. Rios, 670-5654
Warren M.S. Ernst, 670-3491

MAPSCO: N/A

SUBJECT

An ordinance ordering a special election to be held in the City of Dallas on Tuesday, November 4, 2014, for the purpose of submitting to the qualified voters of the City, proposed amendments to the Dallas City Charter - Financing: No cost consideration to the City

BACKGROUND

This item is on the addendum to allow council members additional time to finalize and approve charter ballot language to place on election order ordinance, which will be distributed at the meeting.

Article 11, Section 5 of the Texas Constitution states, in part, "Cities having more than five thousand (5000) inhabitants may, by a majority vote of the qualified voters of said city, at an election held for that purpose, adopt or amend their charters... Furthermore, no city charter shall be altered, amended or repealed oftener than every two years." Chapter II, Section 3 of the Dallas City Charter, states, "At intervals of not more than 10 years (first interval to occur not more than 10 years after adoption of this section), the Charter shall be reviewed by a commission appointed by the council."

The Dallas City Charter was last amended in a special election held November 8, 2005. To meet the 10-year charter review deadline in 2015, the City Council appointed a Charter Review Commission to review and recommend changes to the Dallas City Charter. Proposed changes are the result of input from the general public, City Council, Charter Review Commission, as well as city staff.

BACKGROUND (Continued)

The Uniform Election date in which to hold the special election for a charter amendment is Tuesday, November 4, 2014. Section 3.005(c) of the Texas Election Code states in part that "an election to be held on the date of the general election for state and county officers...be ordered not later than the 78th day before election day." The election may be called at any time as the Texas Elections Code does not provide for an "official date to first order an election." The last (78th) day to order the election is Monday, August 18, 2014.

Due to unforeseen circumstances and as has always occurred in the past, changes are expected in the near future to both election day/early voting polling locations as well as the early voting schedule. For instance, changes as a result of State House Plan 358 (in which was adopted by Dallas County on September 24, 2013), added approximately 27 new precincts; therefore requiring the assignment of additional election day polling locations. Those additional precincts are currently listed in Exhibit A (Election Day Polling Locations) as "To Be Determined (TBD)" and will be updated as soon as the information is provided by Dallas County. Collin and Denton Counties have no changes at this time. However, any required changes will be presented for formal approval as soon as notifications are received from Dallas, Collin and Denton Counties.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 7
DEPARTMENT: Sustainable Development and Construction
Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 47N

SUBJECT

Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from the owners (list attached), of nine parcels of land totaling approximately 1,641 square feet consisting of two churches and seven single family residences located near the intersection of Spring Avenue and Sanderson Street for the Spring Avenue Redevelopment Project - Not to exceed \$20,618 (\$2,618, plus closing costs and title expenses not to exceed \$18,000) - Financing: 2010-11 Community Development Block Grant Reprogramming Funds

BACKGROUND

This item authorizes the acquisition, including the exercise of the right of eminent domain, if such becomes necessary, of nine parcels of land totaling approximately 1,641 square feet consisting of two churches and seven single family residences located near the intersection of Spring Avenue and Sanderson Street from the owners (list attached). The Spring Avenue Redevelopment Project is currently under construction and these parcels are needed to complete construction. Delaying this item until August 2014 will delay the completion of the Spring Avenue Redevelopment Project by two months.

These properties will be used for the construction, widening and improvements to Spring Avenue. The consideration is based upon independent fee appraisals.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

2010-11 Community Development Block Grant Reprogramming Funds - \$20,618 (\$2,618, plus closing costs and title expenses not to exceed \$18,000)

OWNERS

Saint Luke Methodist Church

Pat Mays, Trustee

True Vine Baptist Church

Charles Thomas, Trustee

Daniela Rodriguez

Amira Omar

Lacursha Hill

Georgette Boulingui

Edgard Moudouma

Teri Turner

Stephen D. Smith

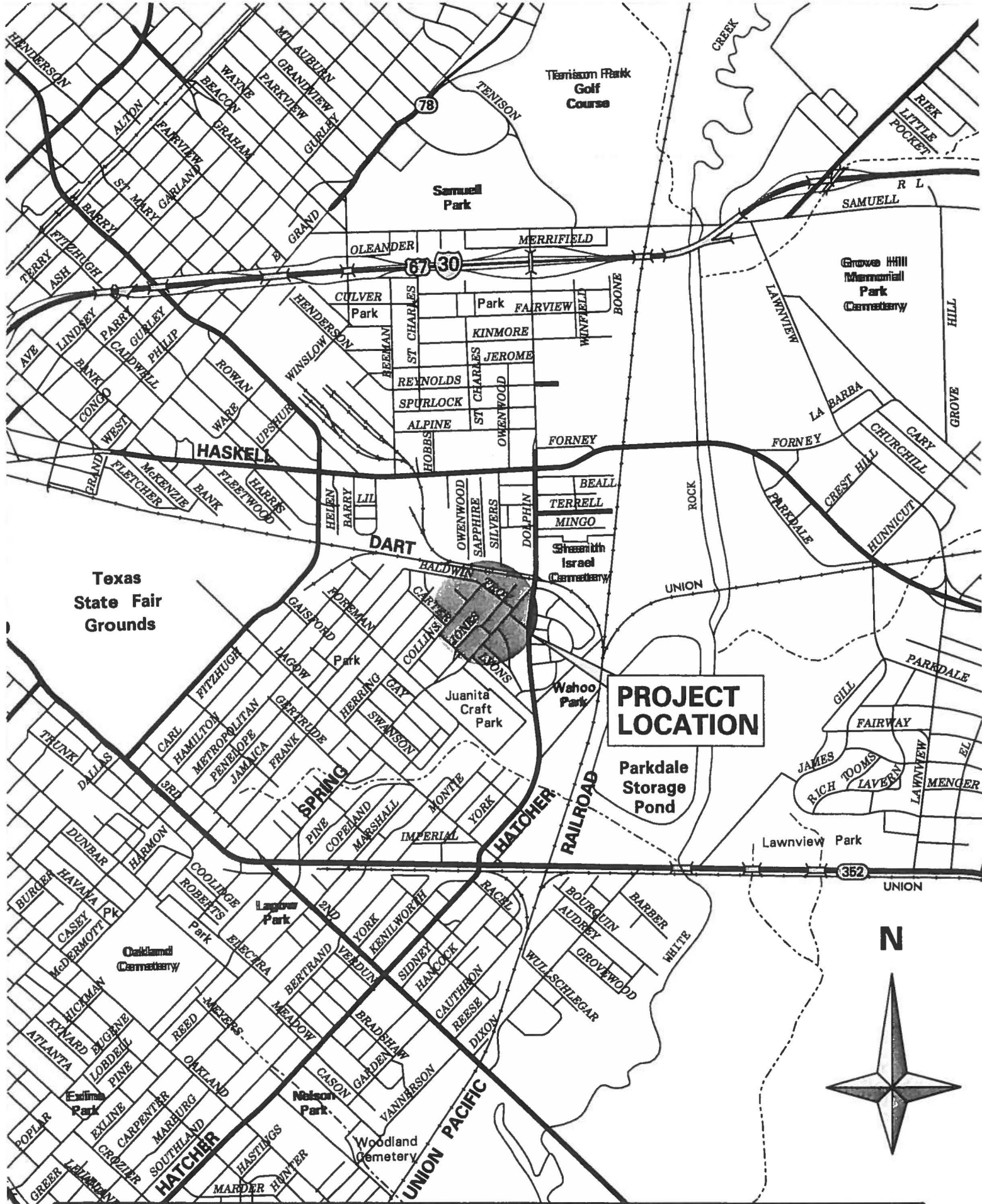
Ilithia Morris

MAP

Attached

Spring Avenue Redevelopment Project – Owner List

<u>Parcel No.</u>	<u>Owner</u>	<u>Address</u>	<u>Legal Description</u>
1	Saint Luke Methodist Church	4608 Wahoo Street	Lot 8, Block 9/2406
2	True Vine Baptist Church	4703 Spring Avenue 4711 Spring Avenue	Lot 1, 2 & 3, Block D/2402 Lot 10 & 11, Block 2398
3	Daniela Rodrigues	4806 Spring Avenue	Lot 10, Block B/2396
4	Amira Omar	4718 Spring Avenue	Lot 2, Block C/2396
5	Lacursha Hill	4714 Spring Avenue	Lot 3, Block C/2396
6	Georgette Boulingui & Edgard Moudouma	4706 Spring Avenue	Lot 5, Block C/2396
7	Teri Turner	4702 Spring Avenue	Lot 6, Block C/2396
8	Stephen D. Smith	4810 Spring Avenue	Lot 11, Block B/2396
9	Ilithia Morris	4850 Spring Avenue	Lot 21, Block B/2396



PROJECT LOCATION

Texas State Fair Grounds

VICINITY MAP: SPRING AVENUE REDEVELOPMENT PROJECT

June 25, 2014

A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS APPROPRIATION AND/OR CONDEMNATION FOR PUBLIC USE.

DEFINITIONS: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": A total of approximately 1,641 square feet of property located in Dallas County, and being the same property more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes.

"PROJECT": Spring Avenue Redevelopment

"USE": The construction, widening and improvements to Spring Avenue

"PROPERTY INTEREST": Easement

"OWNER", "OFFER AMOUNT", and "AUTHORIZED AMOUNT" are described below:

Parcel No.	Square Feet	Owner	Closing Costs		Authorized Amount
			Offer Amount	and title expenses not to Exceed	
1	112	Saint Luke Methodist Church	\$168	\$2,000	\$2,168
2	400	True Vine Baptist Church	\$600	\$2,000	\$2,600
3	140	Daniela Rodriguez	\$210	\$2,000	\$2,210
4	140	Amira Omar	\$210	\$2,000	\$2,210
5	140	Lacursha Hill	\$300	\$2,000	\$2,300
6	140	Georgette Boulingui & Edgard Moudouma	\$300	\$2,000	\$2,300
7	190	Teri Turner	\$330	\$2,000	\$2,330
8	147	Stephen D. Smith	\$200	\$2,000	\$2,200
9	232	Ilithia Morris	\$300	\$2,000	\$2,300

Provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

June 25, 2014

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the USE of the PROPERTY for the PROJECT is a public use.

SECTION 2. That public necessity requires that the CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

SECTION 3. That for the purpose of acquiring the PROPERTY INTEREST in the PROPERTY, the Assistant Director of the Department of Sustainable Development and Construction Department, Real Estate Division, or such person as she may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY INTEREST in the PROPERTY.

SECTION 4. That in the event the OWNER accepts the OFFER AMOUNT, the City Controller is authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the OFFER AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable out of FY10-11 CDBG REPROGRAMMING Fund No. 10RP, Department HOU, Unit 804D, Activity HO93, Program No. PBNIP007, Object 4210, Encumbrance No. for each is stated below. The OFFER AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

Parcel No.	Encumbrance No.	Owner	Offer Amount	Closing Costs and title expenses not to Exceed	Authorized Amount
1	SUSSD804D35	Saint Luke Methodist Church	\$168	\$2,000	\$2,168
2	SUSSD804D36	True Vine Baptist Church	\$600	\$2,000	\$2,600
3	SUSSD804D37	Daniela Rodriguez	\$210	\$2,000	\$2,210
4	SUSSD804D38	Amira Omar	\$210	\$2,000	\$2,210
5	SUSSD804D39	Lacursha Hill	\$300	\$2,000	\$2,300
6	SUSSD804D40	Georgette Boulingui & Edgard Moudouma	\$300	\$2,000	\$2,300
7	SUSSD804D41	Teri Turner	\$330	\$2,000	\$2,330
8	SUSSD804D42	Stephen D. Smith	\$200	\$2,000	\$2,200
9	SUSSD804D43	Ilithia Morris	\$300	\$2,000	\$2,300

June 25, 2014

SECTION 5. That the CITY is to have possession of the PROPERTY at closing; and the CITY will pay any title expenses and closing costs. In the event of condemnation, the CITY will pay court costs as may be assessed by the Special Commissioners or the court. Further, that litigation expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid from the previously described funds.

SECTION 6. That if the OWNER refuses to accept the OFFER AMOUNT the CITY will appropriate the PROPERTY INTEREST in the PROPERTY for the PROJECT under the laws of eminent domain and the provisions of the Charter of the City of Dallas. In such case, the City Attorney is authorized and requested to file the necessary suit(s) and take the necessary action for the prompt acquisition of the PROPERTY INTEREST in the PROPERTY by condemnation or in any manner provided by law.

SECTION 7. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit(s).

SECTION 8. That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

SECTION 9. That OWNER has been provided with a copy of the Landowner's Bill of Rights as required by Texas Property Code Section 21.0112.

SECTION 10. That in the event the Special Commissioners in Condemnation appointed by the Court return an award that is the same amount or less than the OFFER AMOUNT, the City Attorney is hereby authorized to settle the lawsuit for that amount and the City Controller is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed the Commissioners' award made payable to the County Clerk of Dallas County, to be deposited into the registry of the Court, to enable the CITY to take possession of the PROPERTY without further action of the Dallas City Council.

June 25, 2014

SECTION 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY 
Assistant City Attorney

Parcel 1
Field Notes Describing a 112 Square Foot (0.0026 Acre)
Tract of Land To Be Acquired
in Lot 8 3 in City Block 9/2406
From St. Luke Methodist Church

Being a 112 Square Foot (0.0026 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being a portion of Lot 8, Block 9/2406, Official City of Dallas Block Numbers, of the Jas J. Collins Subdivision, an addition to the City of Dallas dated September 23, 1938, and recorded in Volume 5, Page 467, of the Map Records of Dallas County, Texas, and being a part of the property conveyed to Warren J. Collins, by Partition Agreement, dated May 16, 1949, and recorded in Volume 2094, Page 213, of the Deed Records of Dallas County, Texas, (current ownership is claimed by St. Luke Methodist Church, though no vesting instrument can be found), and being more particularly described as follows:

BEGINNING at a 60D nail with washer marked "CITY OF DALLAS" set at the intersection of the Northwest Right-of-Way line of Spring Avenue (a variable width Right-of-Way) as created by Right-of-Way deed to the City of Dallas recorded in Volume 3138, Page 25 of the Deed Records of Dallas County, Texas, and the Southwest Right-of-Way line of Carter Street (a 30 foot wide Right-of-Way), as created by Right-of-Way deed to the City of Dallas, recorded in Volume 4413, Page 1 of the Deed Records of Dallas County, Texas, being on a Curve to the right and the most Easterly corner the herein described tract of land;

THENCE in the Southwesterly direction with said Curve to the right, having a Radius of 925.37 feet, a Central Angle of $0^{\circ}55'44''$, an Arc length of 15.00 feet, and a Chord which bears South $45^{\circ}03'04''$ West, a distance of 15.00 feet, along the said Northwest line of Spring Avenue, to a PK nail with washer marked "CITY OF DALLAS" set, same being the most Southerly corner of the herein described tract of land;

THENCE North $02^{\circ}23'46''$ West, departing the said Northwest line of Spring Avenue, over and across said Lot 8, Block 9/2406, a distance of 20.29 feet to a PK nail with washer marked "CITY OF DALLAS" set on the said Southwest line of Carter Street, same being the most Northerly corner of the herein described tract of land;

THENCE South $49^{\circ}50'36''$ East, with the said Southwest line of Carter Street, a distance of 15.00 feet to the **POINT OF BEGINNING**, containing 112 Square Feet, or 0.0026 Acres of land.

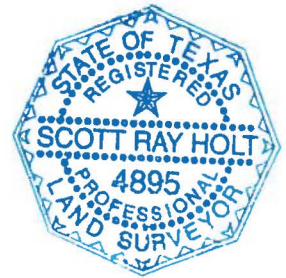
EXHIBIT A

Parcel 1

**Field Notes Describing a 112 Square Foot (0.0026 Acre)
Tract of Land To Be Acquired
in Lot 8 3 in City Block 9/2406
From St. Luke Methodist Church**

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

*Scott Holt
2/22/2017*



N Thomas Lagow Survey
Abstract #759

EXHIBIT A

Parks & Friedman
Spring Ave.
ADDITION
Vol. 4, Pg. 176

BLOCK 2398

BENTON ST. (15.20' Right-of-Way)
City of Dallas
V 3153 P 671

BLOCK B/2421

H.M Skelton's
Subdivision
Volume 1,
Page 77

W. H. Jones
ADDITION
Vol. 2, Pg. 252

PK nail found
2" brass disc found
City of Dallas
Vol. 3129, Pg. 1

rivet found
CONTROLLING
MONUMENT
Bears 0.20'
N 48°08'37" W

CARTER ST.
(30' Right-of-Way)
City of Dallas
Vol. 4413, Pg. 1

SPRING AVENUE
(Variable Width R.O.W.)
City of Dallas
Vol. 3108, Pg. 17

LYONS ST.
(Variable Width Right-of-Way)

Jas J. Collins
ADDITION
Vol. 5, Pg. 467

St. Luke
Methodist Church
(current owner,
property deeded to
Warren J. Collins
Vol. 2094, Pg. 213)

PK nail set w/
COD washer

20.29'
N 02°23'46" W

PK nail set w/
COD washer

60D nail w/
COD washer set
POINT OF
BEGINNING

CURVE DATA

L = 15.00'
R = 925.37'
Δ = 0°55'44"
Chrd Brs: 15.00'
S 45°03'04" W

Parcel 1
112 Sq. Ft. (0.0026 Acre)
Tract To Be Acquired From
St. Luke Methodist Church

	Property to be acquired
	previous Right-of-Way acquisition
	Subdivision boundary
	Right-of-Way & Block lines
	platted lot lines
	property line (deed acquisition)

BLOCK 92406

City of Dallas
Vol. 3072, Pg. 333

Controlling monuments for this project
can be found on Survey Drawing
311D - 4174 in the City of Dallas
Survey Vault (320 E. Jefferson Blvd,
Dallas, Room #318, TX 75203)

LOCATOR MAP

Sheet 3 of 3



SPRING AVENUE

Property Acquisition for Street Widening

St. Luke Methodist Church

DEPT. OF PUBLIC WORKS & TRANSPORTATION

SURVEY DIVISION CITY OF DALLAS, TEXAS

OPER.NAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\1\ONA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	2-22-12
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174(1)

Parcel 2
Field Notes Describing a 236 Square Foot (0.0054 Acre)
Tract of Land To Be Acquired
in Lots 1, 2, and 3 in City Block D/2402
From True Vine Missionary Baptist Church

Being a 236 Square Foot (0.0054 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being a portion of Lots 1, 2, and 3, Block D (D/2402 Official City of Dallas Block Numbers), of W. H. Jones Subdivision, an addition to the City of Dallas dated June 3, 1922 and recorded in Volume 2, Page 252, of the Map Records of Dallas County, Texas, and being a part of the property conveyed to True Vine Missionary Baptist Church, by Sheriff's Deed dated May 8, 1996, and recorded in Volume 96094, Page 2193, and by Sheriff's Deed dated April 4, 1996, recorded in Volume 96101, Page 4719, of the Deed Records of Dallas County, Texas, and with Sheriff's Deed dated April 10, 2008, and recorded in Instrument number 20080148694 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the Northwest line of Spring Avenue (a variable width Right-of-Way) as created by Right-of-Way deed to the City of Dallas recorded in Volume 3129, Page 1 of the Deed Records of Dallas County, Texas, and the Southwest line of Benton Street (a 15.20 foot Right-of-Way, as created by deed to the City of Dallas, recorded in Volume 3153, Page 611 of the Deed Records of Dallas County, Texas), from which a rivet found (controlling monument) bears North 48°08'37" West, a distance of 0.20 feet;

THENCE South 41°39'14" West, along the said Northwest line of Spring Avenue, as created by deeds to the City of Dallas recorded in Volume 3129, Page 1, and Volume 3114, Page 438 (Deed Records of Dallas County, Texas), a distance of 370.20 feet to a cut "X" at the intersection with the common line between said Lot 3 and Lot 4 of said Block D/2402, same being the most Easterly North corner and **POINT OF BEGINNING** of the herein described tract of land;

THENCE South 41°32'14" West, departing said common lot line and with said Northwest line of Spring Avenue, by deed to the City of Dallas, recorded in Volume 3108, Page 17 of the Deed Records of Dallas County, Texas, a distance of 123.51 feet to a cut "X" at its intersection with the Northeast line of Carter Street (a 30 foot wide Right-of-Way), as created by Right-of-Way deed to the City of Dallas, recorded in Volume 4413, Page 1 of the Deed Records of Dallas County, Texas, being the most Southerly corner of Lot 1, Block D/2402, of the said W. H. Jones Subdivision, and the most Southerly corner of the herein described tract of land;

EXHIBIT A

Parcel 2
Field Notes Describing a 236 Square Foot (0.0054 Acre)
Tract of Land To Be Acquired
in Lots 1, 2, and 3 in City Block D/2402
From True Vine Missionary Baptist Church

THENCE North 49°50'36" West, departing the said Northwest line of Spring Avenue, and with the said Northeast line of Carter Street, a distance of 6.93 feet to a 5/8 inch Iron Rod with cap stamped "CITY OF DALLAS" (hereinafter referred as "5/8" IR w/COD cap") set at the most Westerly North corner of the herein described tract of land;

THENCE North 85°54'16" East, departing the last said Northeast line of Carter Street, over and across said Lot 1, a distance of 7.16 feet to a 5/8" IR w/COD cap set at an inside corner of the herein described tract of land;

THENCE North 41°39'08" East, continuing over and across said Lot 1, 2 and 3, a distance of 118.51 feet to a 5/8" IR w/COD cap set on the common line between said Lot 3 and Lot 4 of said Block D/2402, same being the most Northerly corner of the herein described tract of land;

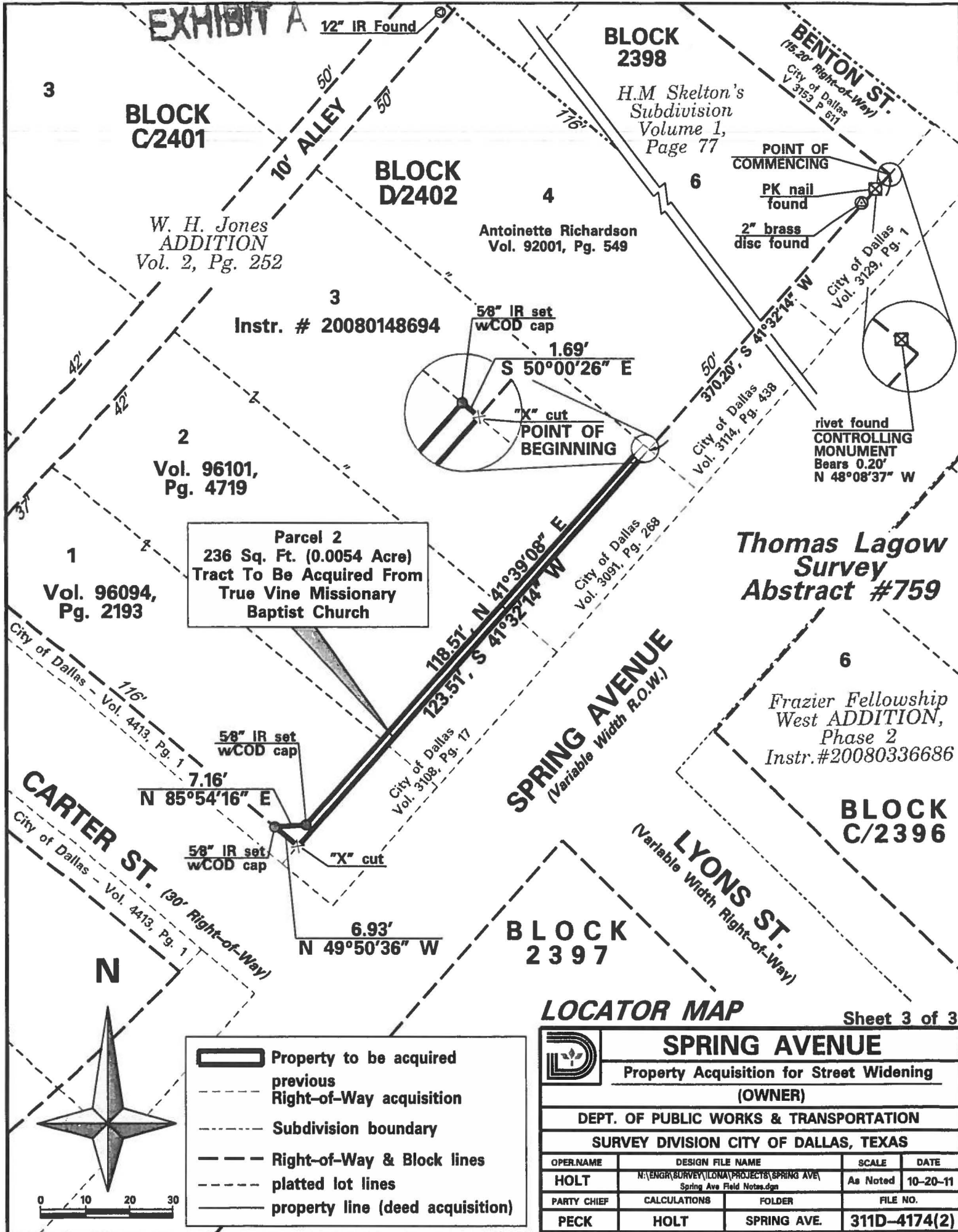
THENCE South 50°00'26" East, with the last said common line between Lots 3 and 4, a distance of 1.69 feet to the **POINT OF BEGINNING**, containing 236 Square Feet, or 0.0054 Acres of land.

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
2/22/2012



The seal is an octagonal stamp with a star in the center. The text around the star reads "STATE OF TEXAS REGISTERED" at the top, "SCOTT RAY HOLT" in the middle, and "LAND PROFESSIONAL SURVEYOR 4895" at the bottom.



- Property to be acquired previous Right-of-Way acquisition
- Subdivision boundary
- Right-of-Way & Block lines platted lot lines
- property line (deed acquisition)

LOCATOR MAP Sheet 3 of 3			
SPRING AVENUE			
Property Acquisition for Street Widening (OWNER)			
DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPERNAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\LOMA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	10-20-11
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174(2)

**Field Notes Describing a 164 Square Foot (0.0038 Acre)
Tract of Land To Be Acquired
in Lot 10 and 11 in City Block-2398
From Margaret C. Foreman**

Being a 164 Square Foot (0.0038 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being a portion of Lot 10 and Lot 11, Block 2398 (Official City of Dallas Block Numbers), of Margaret C. Foreman's Subdivision of Lot #7, Block #2398, an addition to the City of Dallas dated July 12, 1938 and recorded in Volume 5, Page 405, of the Map Records of Dallas County, Texas, and being a part of the property conveyed to Margaret C. Foreman, by Warranty Deed, dated June 18, 1938, and recorded in Volume 2080, Page 271 at the Deed Records of Dallas County, Texas (current ownership appears to be with True Vine Baptist Church according to a Right-of-Way dedication deed to the City of Dallas, dated August 16, 1949 and recorded in Volume 3253, Page 241 of the Deed Records of Dallas County, Texas, though we can find no vesting instrument), and being more particularly described as follows:

BEGINNING at an "X" cut at the intersection of the Northwest line of Spring Avenue (a variable width Right-of-Way), as created by Right-of-Way deed to the City of Dallas recorded in Volume 3253, Page 240 of the Deed Records of Dallas County, Texas, and the Southwest line of Sanderson Street (a 25 foot Right-of-Way), being the Easterly corner of the herein described tract of land, from which a $\frac{3}{4}$ " Iron Rod found (Controlling Monument) on the said Southwest line of Sanderson Street bears North $50^{\circ}02'42''$ West, a distance of 118.27 feet, and a found cut "X" on the said Northwest line of Spring Avenue bears South $52^{\circ}42'02''$ West, a distance of 2.15 feet;

THENCE South $41^{\circ}32'14''$ West, departing the last said Southwest line of Sanderson Street and with the said Northwest line of Spring Avenue, same being the South line of said Lots 10 and 11, and of said Block 2398, (passing at a 25.19 feet distance the common Lot line of said Lots 10 and 11), and continuing with the said Northwest line of Spring Avenue, as created by a Right-of-Way deed to the City of Dallas, recorded in Volume 3253, Page 244, for a total distance of 75.20 feet to an "X" cut at the intersection with the common line of said Lot 11 of Block 2398 and Lot 4 of Block D/2402 of W. H. Jones Subdivision, an addition to the City of Dallas recorded in Volume 2, Page 252 of said Deed Records, from which a cut "X" found on the said Northwest line of Spring Avenue bears South $53^{\circ}05'13''$ West, a distance of 2.08 feet, same being the most Southerly corner of the herein described tract of land;

EXHIBIT A

Field Notes Describing a 164 Square Foot (0.0038 Acre) Tract of Land To Be Acquired in Lot 10 and 11 in City Block 2398 From Margaret C. Foreman

THENCE North 50°00'26" West, departing the last said Northwest line and with the last said common Lot line of Lots 11 and 4, a distance of 1.59 feet to a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" (hereinafter referred as "5/8 inch IR w/COD cap") set at the most Westerly corner of the herein described tract of land;

THENCE North 41°39'08" East, departing the last said common Lot line, over and across a portion of said Lots 11 and 10, (passing at a distance of 50.00 feet the common Lot line of said Lots 11 and 10 of said Block 2398), and continuing for a total distance of 65.20 feet to a 5/8 inch IR w/COD cap set at an inside corner of the herein described tract of land;

THENCE North 04°10'39" West, a distance of 13.94 feet to a 5/8 inch IR w/COD cap set on the said Southwest line of Sanderson Street, same being the Northeast line of said Lot 10 of Block 2398, and the most Northerly corner of the herein described tract of land;

THENCE South 50°00'26" East, with the last said Southwest line of Sanderson Street, a distance of 11.44 feet to the **POINT OF BEGINNING**, containing 164 Square Feet, or 0.0038 Acres of land.

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
2/10/2012



EXHIBIT A

Margaret C. Foreman's ADDITION
Subdiv. of Lot #7, Block #2398
Vol. 5, Pg. 405

Margaret C. Foreman's ADDITION
Subdiv. of Lot #7, Block #2398
Vol. 5, Pg. 405

BLOCK 2398

BLOCK D/2402

Parcel 4
164 Sq. Ft. (0.0038 Acre)
Tract To Be Acquired From
Margaret C. Foreman
Vol. 2080, Pg. 271

Antoinette Richardson
Vol. 92001, Pg. 549

W. H. Jones ADDITION
Vol. 2, Pg. 252

SPRING AVENUE
(Variable Width R.O.W.)

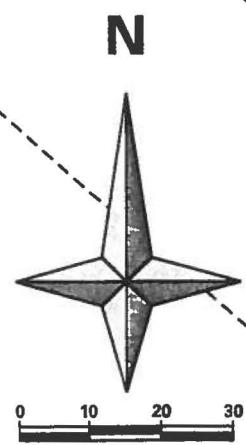
Frazier Fellowship West ADDITION,
Phase 2
Instr. #20080336686

BLOCK C/2396

Thomas Lagow Survey
Abstract #759

LYONS ST.
(Variable Width Right-of-Way)

SANDERSON ST.
(25' Right-of-Way)



	Property to be acquired
	previous Right-of-Way acquisition
	Right-of-Way & Block lines
	platted lot lines
	property line (deed acquisition)

LOCATOR MAP

Sheet 3 of 3

SPRING AVENUE			
Property Acquisition for Street Widening			
Margaret C. Foreman			
DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPER.NAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\1\ONA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	1-10-12
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174(4)

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 10 in City Block B/2396
From Daniela Rodriguez**

Being a 140 Square Foot (0.0032 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 10, of Block B/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being a part of the property conveyed to Daniela Rodriguez, by deed recorded in Instrument number 201100072840, dated March 14, 2011 (O.P.R.D.C.T.), and being more particularly described as follows:

COMMENCING from the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way) and the Northeast line of Clifford Jackson Street (a 53 feet Right-of-Way, by said Frazier Fellowship West Addition, Phase 2), being the Northwest corner of Lot 9, of said Block B/2396 of said addition, from which a found cut "X" bears North 22°57'33" East, a distance of 0.27 feet (controlling monument);

THENCE North 41°35'19" East, with the said Southeast line of Spring Avenue, and the North line of said Lot 9, Block B/2396, a distance of 46.55 feet to an "X" cut, at the **POINT OF BEGINNING**, and the most Westerly corner of the herein described tract of land;

THENCE North 41°35'19" East, continuing with the said Southeast line of Spring Avenue, a distance of 35.00 feet to a 60D nail set with "City of Dallas" washer at the intersection of said Southeast line of Spring Avenue and the common line of said Lot 10 and 11, same being the most Northerly corner of the herein described tract of land;

THENCE South 48°24'41" East, departing the last said Southeast line of Spring Avenue, and with the said common line of Lots 10 and 11, a distance of 4.00 feet, to a 5/8" iron rod with cap stamped "City of Dallas" set at the most Easterly corner of the herein described tract of land;

THENCE South 41°35'19" West, departing the last said common Lot line, parallel with and perpendicularly 4.00 feet distant from the said Southeast line, a distance of 35.00 feet to a 5/8" iron rod with "City of Dallas" cap set at the common Lot lines of said Lot 10 and 9, same being the most Southerly corner of the herein described tract of land:

THENCE North 48°24'41" West, with the last said common Lot line of Lots 10 and 11, a distance of 4.00 feet, to the **POINT OF BEGINNING**, containing 140 Square Feet, or 0.0032 Acres of land.

EXHIBIT A

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 10 in City Block B/2396
From Daniela Rodriguez**

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
1/13/2012

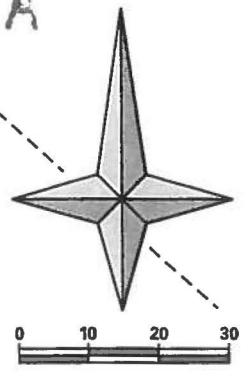


**BLOCK
2398**

SPRING AVENUE
(Variable Width R.O.W.)

EXHIBIT A

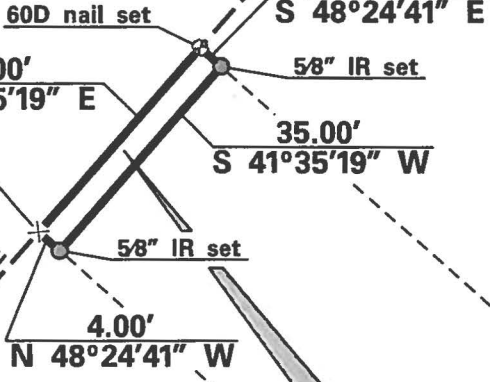
N



City of Dallas
Vol. 3129, Pg. 1

City of Dallas
Vol. 3284, Pg. 11

**POINT OF
BEGINNING
"X" cut**



**140 Sq. Ft. (0.0032 Acre)
Tract To Be Acquired From
Daniela Rodriguez
Instr. #201100072840**

**found "X" cut
CONTROLLING
MONUMENT**
Bears: 0.27'
N 22°57'33" E

**POINT OF
COMMENCING**

**found "X" cut
CONTROLLING
MONUMENT**

CLIFFORD JACKSON ST.
(53' Right-of-Way)

**Priscilla Chambliss
Instr. #201000019676**

**Louis Nhobantege &
Elizabeth Iramona
Instr. #201100105795**

*Frazier Fellowship West
ADDITION, Phase 2
Instr. #20080336686*

	Property to be acquired
	previous Right-of-Way acquisition
	Right-of-Way & Block lines
	platted lot lines
	property line (deed acquisition)

**Thomas Lagow
Survey
Abstract #759**

LOCATOR MAP

Sheet 3 of 3

SPRING AVENUE			
Property Acquisition for Street Widening			
Daniela Rodriguez			
DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPER.NAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\LOMA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	1-13-12
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174 (51)

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 2 in City Block C/2396
From Amira Omar**

Being a 140 Square Foot (0.0032 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 2, of Block C/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being a part of the property conveyed to Amira Omar, by deed recorded in Instrument number 201000198317, dated July 29, 2010 (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a cut "X" found (controlling monument) at the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way by use and occupation) and the common lines of said Lot 2 and Lot 1 of said Block C/2396, from which a cut "X" found (controlling monument) at the intersection of the said Southeast line of Spring Avenue and the Southwest line of Clifford Jackson Street (a 53 foot Right-of-Way by said Frazier Fellowship West Addition, Phase 2), being the Northeast corner of Lot 1, and of said Block C/2396, bears North 41°35'19" East, a distance of 48.42 feet;

THENCE South 48°24'41" East, departing the last said Southeast line of Spring Avenue, and with the said common Lot line, a distance of 4.00 feet to a 5/8" iron rod with cap stamped "City of Dallas" set at the most Easterly corner of the herein described tract of land;

THENCE South 41°35'19" West, parallel with and perpendicularly 4.00 feet distant from the said Southwest line of Spring Avenue, a distance of 35.00 feet, to a 5/8" iron rod with cap stamped "City of Dallas" set on the common line between said Lot 2 and Lot 3 of said Block C/2396, at the most Southerly corner of the herein described tract of land;

THENCE North 48°24'41" West, with said common Lot line, a distance of 4.00 feet, to a cut "X" found (controlling monument) at the intersection of said common Lot line and the said Southeast line of Spring Avenue, same being the most Westerly corner of the herein described tract of land;

THENCE North 41°35'19" East, with the last said Southeast line of Spring Avenue, same being the Northwest line of said Lot 2 of Block C/2396, a distance of 35.00 feet, to the **POINT OF BEGINNING**, containing 140 Square Feet, or 0.0032 Acres of land.

EXHIBIT A

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 2 in City Block C/2396
From Amira Omar**

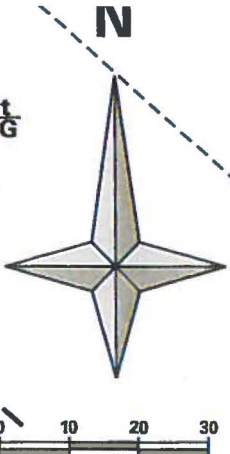
BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
1/17/2012



SPRING AVENUE EXHIBIT A

(Variable Width R.O.W. by use and occupation)



Margaret C. Foreman's
ADDITION
Subdiv. of Lot #7,
Block #2398
Vol. 5, Pg. 405

H.M. Skelton's
Subdivision
Volume 1,
Page 77

City of Dallas
Vol. 3130, Pg. 384

City of Dallas
Vol. 3182, Pg. 208

15'x20' DP&L & SWNB
EASEMENT
(V. 2962, P. 338)

found "X" cut
CONTROLLING
MONUMENT
Bears: 0.27'
N 22°57'33" E

SANDERSON ST.

CLIFFORD JACKSON ST.
(53' Right-of-Way)

found "X" cut CONTROLLING MONUMENT POINT OF BEGINNING

48.42' N 41°35'19" E

4.00' S 48°24'41" E

58" IR set w/COD cap

35.00' S 41°35'19" W

35.00' S 41°35'19" W

found "X" cut CONTROLLING MONUMENT

4.00' N 48°24'41" W

58" IR set w/COD cap

140 Sq. Ft. (0.0032 Acre)
Tract To Be Acquired
From Amira Omar
Instr. #201000198317

Priscilla Chambliss
Instr. #201000019674

found "X" cut CONTROLLING MONUMENT

Frazier Fellowship West
ADDITION, Phase 2
Instr. #20080336686

Thomas Lagow
Survey
Abstract #759

BLOCK C/2396

15' ALLEY

LOCATOR MAP

Sheet 3 of 3

- Property to be acquired
- previous Right-of-Way acquisition
- Right-of-Way & Block lines
- platted lot lines
- property line (deed acquisition)

SPRING AVENUE			
Property Acquisition for Street Widening Amira Omar			
DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPER.NAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\ILONA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	1-13-12
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174 (54)

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 3 in City Block C/2396
From Lacursha Hill**

Being a 140 Square Foot (0.0032 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 3, of Block C/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being a part of the property conveyed to Lacursha Hill, by deed recorded in Instrument number 201000019577, dated January 21, 2010 (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at a cut "X" found (controlling monument) at the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way by use and occupation) and the common lines of said Lot 3 and Lot 4 of said Block C/2396, same being the Westerly corner of said Lot 3 and of the herein described tract of land;

THENCE North 41°35'19" East, with the last said Southeast line of Spring Avenue, same being the Northwest line of said Lot 3 of Block C/2396, a distance of 35.00 feet to a found cut "X" (controlling monument) at the intersection of the said Southeast line of Spring Avenue with the common line of said Lot 3 and Lot 2, same being the Northerly corner of the herein described tract of land, from which a cut "X" found (controlling monument) at the intersection of the said Southeast line of Spring Avenue and the common line of said Lot 2 and Lot 1, bears North 41°35'19" East, a distance of 35.00 feet;

THENCE South 48°24'41" East, departing the last said Southeast line of Spring Avenue, and with the said common Lot line of Lots 2 and 3, a distance of 4.00 feet to a 5/8 inch iron rod with cap stamped "City of Dallas" set at the most Easterly corner of the herein described tract of land;

THENCE South 41°35'19" West, departing the last said common Lot line, parallel with and perpendicularly 4.00 feet distant from the said Southwest line of Spring Avenue, a distance of 35.00 feet, to a 5/8 inch iron rod with cap stamped "City of Dallas" set on the said common line between Lot 3 and Lot 4 of Block C/2396, at the most Southerly corner of the herein described tract of land;

THENCE North 48°24'41" West, with the last said common Lot line, a distance of 4.00 feet, to the **POINT OF BEGINNING**, containing 140 Square Feet, or 0.0032 Acres of land.

EXHIBIT A

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 3 in City Block C/2396
From Lacursha Hill**

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
1/17/2012



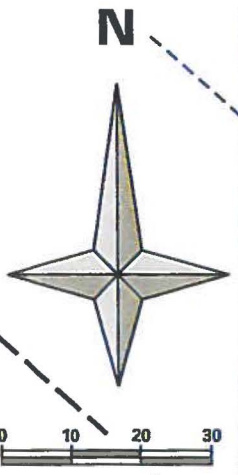
EXHIBIT A

H.M Skelton's
Subdivision
Volume 1,
Page 77

Margaret C. Foreman's
ADDITION
Subdiv. of Lot #7,
Block #2398
Vol. 5, Pg. 405

SANDERSON ST.
(25' Right-of-Way)

SPRING AVENUE
(Variable Width R.O.W.
by use and occupation)



City of Dallas
Vol. 3162, Pg. 208

City of Dallas
Vol. 3130, Pg. 384

found "X" cut
CONTROLLING
MONUMENT

found "X" cut
CONTROLLING
MONUMENT

15' X 20' DP&L & SWB
EASEMENT
(V. 2962, P. 338)

**CLIFFORD
JACKSON ST.**
(53' Right-of-Way)

City of Dallas
Vol. 3253, Pg. 244

found "X" cut
CONTROLLING
MONUMENT

Priscilla Chambliss
Instr. #201000019674

found "X" cut
CONTROLLING
MONUMENT

**BLOCK
C/2396**

35.00'
N 41°35'19" E

4.00'
S 48°24'41" E

35.00'
S 41°35'19" W

Amira Omar
Instr. #201000198317

found "X" cut
CONTROLLING
POINT OF
BEGINNING

58" IR set
wCOD cap

4.00'
N 48°24'41" W

58" IR set
wCOD cap

140 Sq. Ft. (0.0032 Acre)
Tract To Be Acquired
From Lacursha Hill
Instr. #201000019577

Frazier Fellowship West
ADDITION, Phase 2
Instr. #20080336686

Luis Hernandez
Instr. #201000121233

Thomas Lagow
Survey
Abstract #759

LOCATOR MAP

Sheet 3 of 3

SPRING AVENUE

Property Acquisition for Street Widening

Lacursha Hill

DEPT. OF PUBLIC WORKS & TRANSPORTATION

SURVEY DIVISION CITY OF DALLAS, TEXAS

OPER.NAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\LOMA\PROJECTS\SPRING AVE\ Spring Ave Field Notes.dwg	As Noted	1-13-12
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174 (55)

- Property to be acquired
- previous Right-of-Way acquisition
- Right-of-Way & Block lines
- platted lot lines
- property line (deed acquisition)

EXHIBIT A

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 5 in City Block C/2396
From Georgette Boulingui and Edgard Moudouma**

Being a 140 Square Foot (0.0032 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 5, of Block C/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being a part of the property conveyed to Georgette Boulingui and Edgard Moudouma, by deed recorded in Instrument number 201000109245, dated April 22, 2010 (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at an "X" cut at the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way by use and occupation) and the common lines of said Lot 5 and Lot 6 of said Block C/2396, same being the Westerly corner of said Lot 5 and of the herein described tract of land, from which the Easterly corner of said Block C/2396, as defined by the said Frazier Fellowship West Addition, Phase 2, bears South 41°35'19" West, a distance of 47.38 feet;

THENCE North 41°35'19" East, with the last said Southeast line of Spring Avenue, same being the Northwest line of said Lot 5 of Block C/2396, a distance of 35.00 feet, to an "X" cut at the intersection of the said Southeast line of Spring Avenue with the common line of said Lot 5 and Lot 4, same being the Northerly corner of said Lot 5 and of the herein described tract of land, from which a cut "X" found (controlling monument) at the intersection of the said Southeast line of Spring Avenue and the common line of Lot 3 and said Lot 4, bears North 41°35'19" East, a distance of 35.00 feet;

THENCE South 48°24'41" East, departing the last said Southeast line of Spring Avenue, and with the said common line of Lots 5 and 4, a distance of 4.00 feet to a 5/8" iron rod with cap stamped "City of Dallas" set at the most Easterly corner of the herein described tract of land;

THENCE South 41°35'19" West, departing the last said common Lot line, parallel with and perpendicularly 4.00 feet distant from the said Southeast line of Spring Avenue, a distance of 35.00 feet, to a 5/8" iron rod with cap stamped "City of Dallas" set on the common line between said Lot 5 and Lot 6 of Block C/2396, at the most Southerly corner of the herein described tract of land;

THENCE North 48°24'41" West, with the last said common Lot line, a distance of 4.00 feet, to the **POINT OF BEGINNING**, containing 140 Square Feet, or 0.0032 Acres of land.

Scott Holt
1/21/2012



Georgette Boulingui & Edgard Moudouma: Parcel #57

EXHIBIT A

**Field Notes Describing a 140 Square Foot (0.0032 Acre)
Tract of Land To Be Acquired
in Lot 5 in City Block C/2396
From Georgette Boulingui and Edgard Moudouma**

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
1/21/2012



EXHIBIT A

W. H. Jones
ADDITION
Vol. 2, Pg. 252

City of Dallas
Vol. 3253, Pg. 244

found "X" cut
CONTROLLING
MONUMENT

Amira Omar
Instr. #201000198317

BLOCK
D/2402

BLOCK
C/2396

3

2

Lacursha Hill
Instr. #201000019577

City of Dallas
Vol. 3091, Pg. 268

cut "X"

4.00'

S 48°24'41" E

58" IR set
w/COD cap

3

cut "X"
POINT OF
BEGINNING

35.00'

N 41°35'19" E

35.00'

S 41°35'19" W

Luis Hernandez
Instr. #201000121233

City of Dallas
Vol. 3108, Pg. 17

SPRING AVENUE
(Variable Width R.O.W.)

4.00'

N 48°24'41" W

58" IR set
w/COD cap

Parcel 57
140 Sq. Ft. (0.0032 Acre)
Tract To Be Acquired From
Georgette Boulingui &
Edgard Moudouma
Instr. #201000109245

4

0.5' R.O.W.
dedication by this plat

15' R.O.W. dedication by Frazier Fellowship West
Addition, Phase 2

Frazier Fellowship West
ADDITION, Phase 2
Instr. #20080336686

5

Teri Turner
Instr. #201000029337

6

LYONS ST.
(Variable Width Right-of-Way)

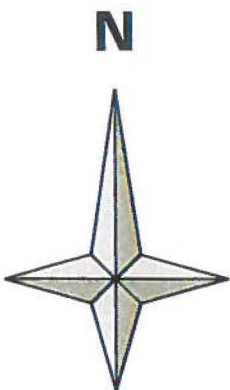
15' ALLEY

Thomas Lagow
Survey
Abstract #759

BLOCK
2397

LOCATOR MAP

Sheet 3 of 3



	Property to be acquired
	previous Right-of-Way acquisition
	Right-of-Way & Block lines
	platted lot lines
	property line (deed acquisition)

SPRING AVENUE			
Property Acquisition for Street Widening			
Georgette Boulingui & Edgard Moudouma			
DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPERNAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\LDNA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	1-13-12
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174 (57)

Field Notes Describing a 190 Square Foot (0.0044 Acre) Tract of Land To Be Acquired in Lot 6 in City Block C/2396 From Teri Turner

Being a 190 Square Foot (0.0044 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 6, of Block C/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being a part of the property conveyed to Teri Turner, by deed recorded in Instrument number 201000029337, dated February 2, 2010 (O.P.R.D.C.T.), and being more particularly described as follows:

BEGINNING at an "X" cut at the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way by use and occupation) and the Northeast line of Lyons Street (a variable width Right-of-Way), same being the Westerly corner of said Lot 6 and of Block C/2396, and of the herein described tract of land;

THENCE North $41^{\circ}35'19''$ East, with the said Southeast line of Spring Avenue, and the Northeast line of said Lot 6 of Block C/2396, a distance of 47.38 feet to a cut "X" at the intersection of the common lines of said Lot 6 and Lot 5 of said Block C/2396, same being the Northerly corner of said Lot 6 and of the herein described tract of land, from which a cut "X" found (controlling monument) at intersection of the said Southeast line of Spring Avenue and the common line of Lots 3 and 4 of said Block C/2396 bears North $41^{\circ}35'19''$ East, a distance of 70.00 feet;

THENCE South $48^{\circ}24'41''$ East, departing the last said Southeast line of Spring Avenue, and with the said common line of Lots 6 and 5, a distance of 4.00 feet to a 5/8" iron rod with cap stamped "City of Dallas" set at the most Easterly corner of the herein described tract of land;

THENCE South $41^{\circ}35'19''$ West, departing the last said common Lot line, parallel with and perpendicularly 4.00 feet distant from the said Southeast line of Spring Avenue, a distance of 47.58 feet, to a 5/8" iron rod with cap stamped "City of Dallas" set on the Northeast line of Lyons Street, same being the Southwest line of said Lot 6 and of said Block C/2396;

THENCE North $45^{\circ}26'39''$ West, with the last said Northeast line of Lyons Street, a distance of 4.01 feet, to the **POINT OF BEGINNING**, containing 190 Square Feet, or 0.0044 Acres of land.

Scott Holt
1/21/2012



EXHIBIT A

**Field Notes Describing a 190 Square Foot (0.0044 Acre)
Tract of Land To Be Acquired
in Lot 6 in City Block C/2396
From Teri Turner**

BASIS OF BEARINGS: Bearings are based on the Texas State Plane Coordinate System, North Central Zone 4202, North American Datum of 1983.

Scott Holt
1/21/2012



W. H. Jones
ADDITION
Vol. 2, Pg. 252

EXHIBIT A

City of Dallas
Vol. 3253, Pg. 244

found "X" cut
CONTROLLING
MONUMENT

Amira Omar
Instr. #201000198317

**BLOCK
D/2402**

3

City of Dallas
Vol. 3091, Pg. 268

SPRING AVENUE
(Variable Width R.O.W.)

found "X" cut
CONTROLLING
MONUMENT

**BLOCK
C/2396**

2

0.5' R.O.W.
dedication by this plat

Lacursha Hill
Instr. #201000019577

172.50'

3

Luis Hernandez
Instr. #201000121233

Frazier Fellowship West
ADDITION, Phase 2
Instr. #20080336686

cut "X"

4.00'
S 48°24'41" E

47.38'
N 41°35'19" E

58" IR set
wCOD cap

47.58'
S 41°35'19" W

cut "X"
POINT OF
BEGINNING

4.01'
N 45°26'39" W

58" IR set
wCOD cap

Georgette Boulingui &
Edgard Moudouma
Instr. #201000109245

4

Parcel 58
190 Sq. Ft. (0.0044 Acre)
Tract To Be Acquired
From Teri Turner
Instr. #201000029337

5

Teri Turner
Instr. #201000029337

6

LYONS ST.
(Variable Width Right-of-Way)

53.21'

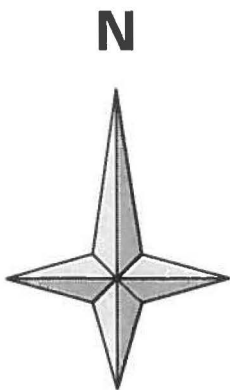
15' ALLEY

35'

Thomas Lagow
Survey
Abstract #759

LOCATOR MAP

Sheet 3 of 3



**BLOCK
2397**

- Property to be acquired
- previous Right-of-Way acquisition
- Right-of-Way & Block lines
- platted lot lines
- property line (deed acquisition)

				SPRING AVENUE			
				Property Acquisition for Street Widening			
Teri Turner							
DEPT. OF PUBLIC WORKS & TRANSPORTATION							
SURVEY DIVISION CITY OF DALLAS, TEXAS							
OPER.NAME	DESIGN FILE NAME			SCALE	DATE		
HOLT	N:\ENGR\SURVEY\LONA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn			As Noted	1-13-12		
PARTY CHIEF	CALCULATIONS	FOLDER		FILE NO.			
PECK	HOLT	SPRING AVE.		311D-4174 (58)			

EXHIBIT A

Parcel 8

Field Notes Describing A 147 Square Foot (0.003 Acre) Tract of Land To Be Acquired in Lot 11 in City Block B/2396 From Stephen D. Smith

Being a 147 Square Foot (0.003 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 11, of Block B/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas, and being a part of the property conveyed to Stephen D. Smith, by deed dated June 4, 2013 and recorded in Instrument number 201300187844 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way) and the Northeast line of Clifford Jackson Street (53-foot-wide Right-of-Way), by the said Frazer Fellowship West Addition, Phase 2), same being the Southwest corner of said Block B/2396 and of Lot 9, from which a cut "X" found in concrete pavement bears North 22°56'15" East, a distance of 0.27 feet;

THENCE North 41°35'19" East, with the said Southeast line of Spring Avenue, same being the Northwest line of said Block B/2396 and of said Lots 9 and 10, a distance of 80.05 feet to a 60D nail set at the common corner of said Lots 10 and 11 and the most Westerly corner and POINT OF BEGINNING of the herein described tract of land;

THENCE North 41°35'19" East, continuing with the said Northwest line of Block B/2396 and of said Lot 11, a distance of 36.73 feet to a Mag nail with washer marked "City of Dallas" set at the common corner of said Lot 11 and Lot 12 of said Block, same being the most Northerly corner of the herein described tract of land;

THENCE South 48°24'41" East, departing the last said Southeast line of Spring Avenue and with the said common line of said Lot 11 and 12, a distance of 4.00 feet to a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" set at the most Easterly corner of the herein described tract of land;

THENCE South 41°35'19" West, departing the last said common line, and being at all times 4.00 feet distant from and parallel with the above said Southeast line of Spring Avenue, over and across a portion of said Lot 11 a distance of 36.73 feet to a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" set on the common line between said Lot 11 and Lot 10 of said Block B/2396, at the most Southerly corner of the herein described tract of land;

EXHIBIT A

**Field Notes Describing
A 147 Square Foot (0.003 Acre)
Tract of Land To Be Acquired
in Lot 11 in City Block B/2396
From Stephen D. Smith**

THENCE North 48°24'41" West, with the said common line of said Lot 10 and 10, a distance of 4.00 feet to the **POINT OF BEGINNING**, containing 147 Square Feet, or 0.003 Acres of land.

BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).

Scott Holt
1/3/14

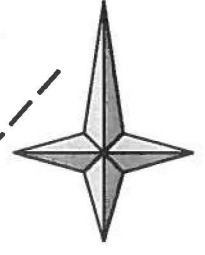


EXHIBIT A

BENTON ST.
(15.20' Right-of-Way)

SPRING AVENUE
(Variable Width Right-of-Way)

N



LEGEND

- × "X" Cut in Pavement
- ⊙ 58" Iron Rod wCOD Cap Set
- Mag Nail wCOD Washer Set
- ⊗ 60-D Nail Set

Parcel 66
147 Sq. Ft. (0.003 Acre)
Tract To Be Acquired

36.73'
N 41°35'19" E

4.00'
S 48°24'41" E

60D nail set
POINT OF BEGINNING

36.73'
S 41°35'19" W

4.00'
N 48°24'41" W

Thomas Lagow Survey
Abstract #759

Stephen D. Smith
Instr. #201300187844

POINT OF COMMENCING
"X" Cut found in
Conc. Pavement
Brs. 0.27',
N 22°56'15" E

BLOCK B/2396

Daniela Rodriguez
Instr. #201100072840

Frazier Fellowship West
ADDITION, Phase 2
Instr. #20080336686


Louis Nhobantege & Elizabeth Iramona
Instr. #201100105795

CLIFFORD JACKSON ST.
(53' Right-of-Way)

1.5' SIDEWALK &
UTILITY EASEMENT

LOCATOR MAP

Sheet 3 of 3

			
SPRING AVENUE			
Property Acquisition for Street Widening			
Stephen D. Smith			
DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPER.NAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\ILONA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	1-3-14
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174(66)

**Field Notes Describing
A 232 Square Foot (0.005 Acre)
Tract of Land To Be Acquired
in Lot 21 in City Block B/2396
From Ilithia Morris**

Being a 232 Square Foot (0.005 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being part of Lot 21, of Block B/2396, Official City of Dallas Block Numbers, of the Frazier Fellowship West Addition, Phase 2, an addition to the City of Dallas, recorded in Instrument number 20080336686, of the Official Public Records of Dallas County, Texas, and being a part of the property conveyed to Ilithia Morris, by deed dated July 29, 2013 and recorded in Instrument number 201300285166 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a ½ inch diameter Iron Rod with cap marked "SHIELDS & LEE" (controlling monument) found at the most Northerly corner of said Lot 21 of said Block B/2396, being also the most Northerly corner of the herein described tract of land, at the intersection of the Southwest Right-of-Way line of Troy Street (a variable width Right-of-Way) with the Southeast Right-of-Way line of Spring Avenue (a variable width Right-of-Way), same being the West line of a 26-foot Right-of-Way dedication by the above said Frazier Fellowship West Addition, Phase 2;

THENCE South 45°25'57" East, departing the last said Southeast line of Spring Avenue and with the said current Southwest line of Troy Street, being also the Northeast line of said Lot 21, a distance of 8.40 feet to a 5/8 inch diameter Iron Rod with cap marked "CITY OF DALLAS" (hereinafter referred to as "5/8" I.R. w/COD Cap") set at the most Easterly corner of the herein described tract of land:

THENCE North 85°50'52" West, departing the last said common line between Troy Street and Lot 21, over and across a portion of said Lot 21, a distance of 5.53 feet to a 5/8" I.R. w/COD Cap set at an inside corner of the herein described tract of land:

THENCE South 41°35'19" West, being at all times 4.00 feet distant from and parallel with the above said Southeast line of Spring Avenue, over and across a portion of said Lot 21 a distance of 52.22 feet to a 5/8" I.R. w/COD Cap set on the common line between said Lot 21 and Lot 20 of said Block B/2396, at the most Southerly corner of the herein described tract of land:

THENCE North 48°24'41" West, with the said common line of said Lot 20 and 21 of said Block B/2396, a distance of 4.00 feet to a 1/2 inch diameter Iron Rod with cap marked "CITY OF DALLAS" (controlling monument) found at the common corner of said Lots 20 and 21, lying on the said Southeast line of Spring Avenue, at the most Westerly corner of the herein described tract of land:

**Field Notes Describing
A 232 Square Foot (0.005 Acre)
Tract of Land To Be Acquired
in Lot 21 in City Block B/2396
From Ilithia Morris**

THENCE North 41°35'19" East, departing the last said common line between Lots 20 and 21 and with the said Southeast line of Spring Avenue, being also the Northwest line of said Lot 21 and of said Block B/2396, a distance of 56.03 feet to the **POINT OF BEGINNING**, containing 232 Square Feet, or 0.005 Acres of land.

BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).

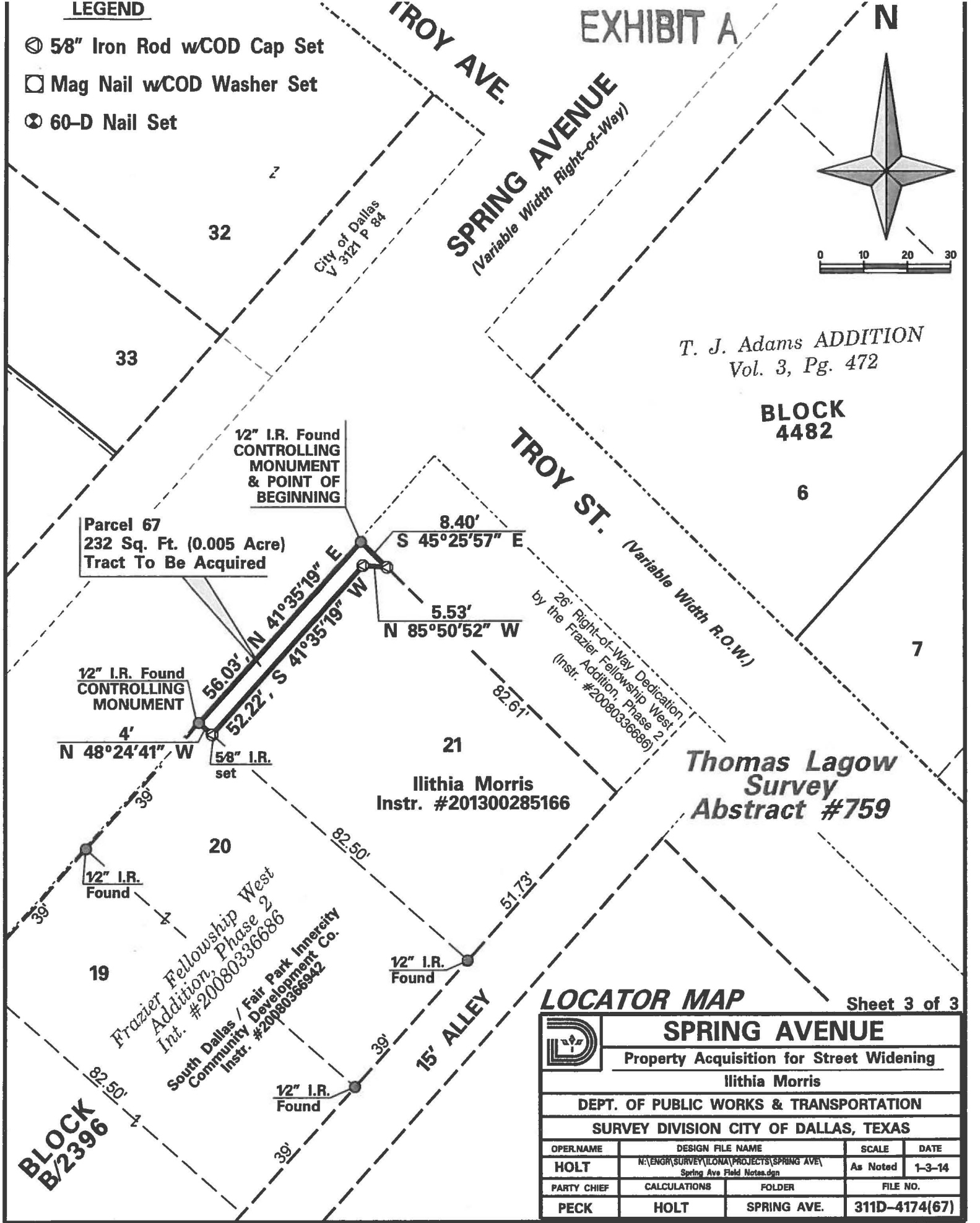
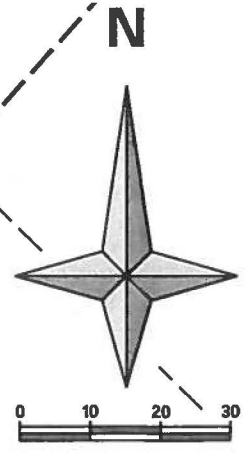
Scott Holt
1/3/14



LEGEND

- ⊙ 5/8" Iron Rod wCOD Cap Set
- Mag Nail wCOD Washer Set
- ⊗ 60-D Nail Set

EXHIBIT A



T. J. Adams ADDITION
Vol. 3, Pg. 472

BLOCK 4482

Thomas Lagow Survey Abstract #759

Ilithia Morris Instr. #201300285166

Frazier Fellowship West Addition, Phase 2 Int. #20080336686
South Dallas / Fair Park Innercity Community Development Co. Instr. #20080366942

LOCATOR MAP

Sheet 3 of 3

<p style="text-align: center;">SPRING AVENUE</p> <p style="text-align: center;">Property Acquisition for Street Widening</p> <p style="text-align: center;">Ilithia Morris</p> <p style="text-align: center;">DEPT. OF PUBLIC WORKS & TRANSPORTATION</p> <p style="text-align: center;">SURVEY DIVISION CITY OF DALLAS, TEXAS</p>			
HOLT	N:\ENGR\SURVEY\ILONA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn	As Noted	1-3-14
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174(67)

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 7
DEPARTMENT: Sustainable Development and Construction
Housing/Community Services
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 47N

SUBJECT

Authorize acquisition, including the exercise of the right of eminent domain, if such becomes necessary, from the owners (list attached), of three parcels of land totaling approximately 8,386 square feet consisting of a vacant lot, a single family residence, and a retail building located near the intersection of Spring Avenue and Troy Street for the Spring Avenue Redevelopment Project - Not to exceed \$97,900 (\$86,900 plus closing costs and title expenses not to exceed \$11,000) - Financing: 2010-11 Community Development Block Grant Reprogramming Funds

BACKGROUND

This item authorizes the acquisition, including the exercise of the right of eminent domain, if such becomes necessary, of three parcels of land totaling approximately 8,386 square feet consisting of a vacant lot, a single family residence, and a retail building located near the intersection of Spring Avenue and Troy Street from the owners (list attached). The Spring Avenue Redevelopment Project is currently under construction and parcels are needed to complete construction. Delaying this item until August 2014 will delay the completion of the Spring Avenue Redevelopment Project by two months.

These properties will be used for the construction, widening and improvements to Spring Avenue. The consideration is based upon independent fee appraisals.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

2010-11 Community Development Block Grant Reprogramming Funds - \$97,900 (\$86,900 plus closing costs and title expenses not to exceed \$11,000)

OWNERS

Dallas Neighborhood Alliance for Habitat

Bill Hall, Chief Executive Officer

The Heirs at law of Leon Hooker

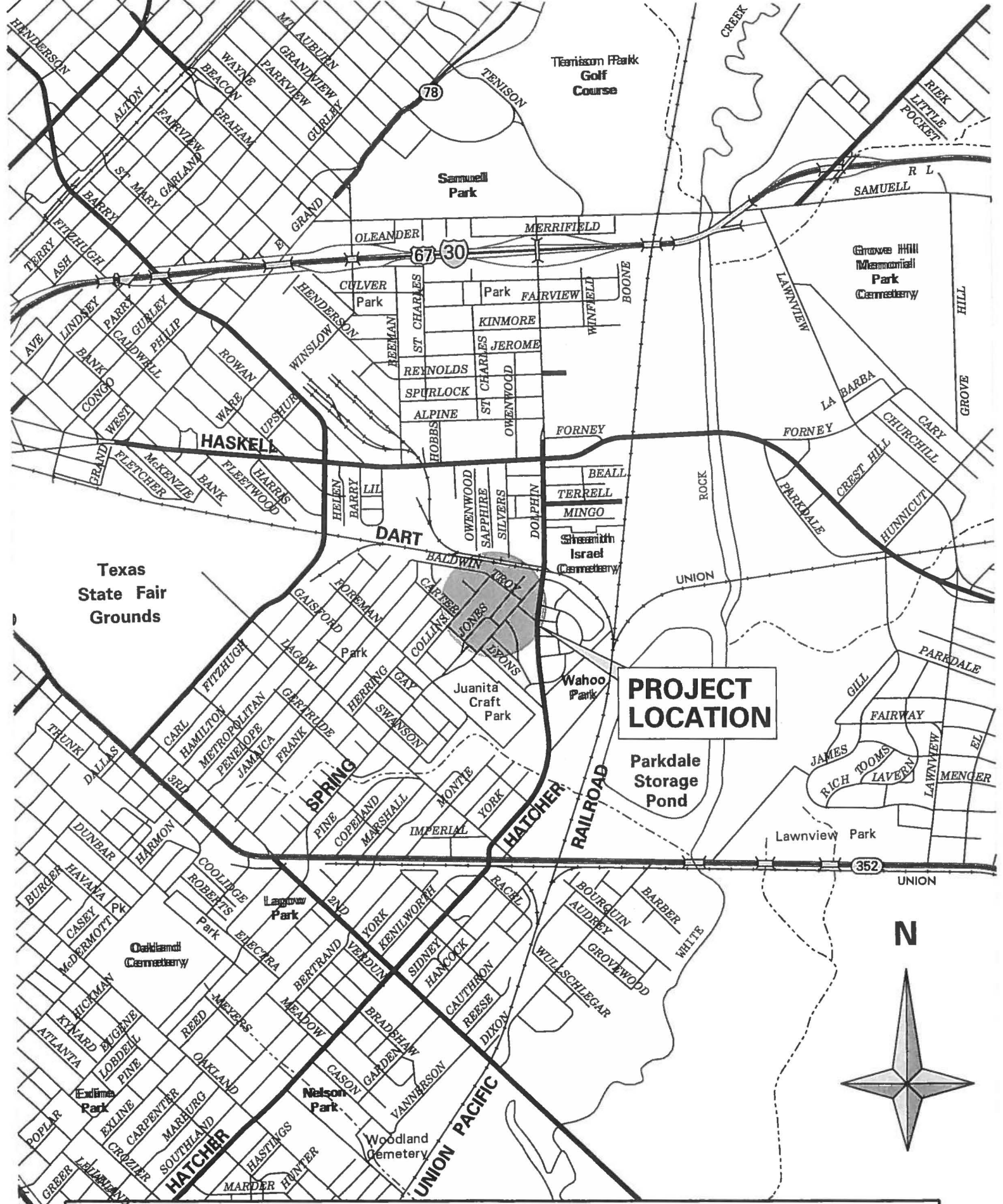
Tuyet Lan-thi Vo

MAP

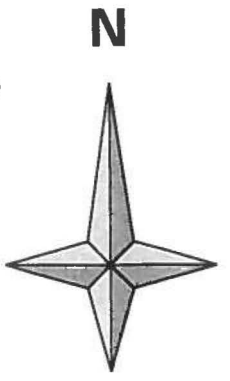
Attached

Spring Avenue Redevelopment Project – Property List

<u>Parcel No.</u>	<u>Owner</u>	<u>Address</u>	<u>Legal Description</u>
1	Dallas Neighborhood Alliance for Habitat	4806 Spring Avenue	Lot 43, Block B/2421
2	The Heirs at law of Leon Hooker	4850 Brashear	Lot 45, Block 2421
3	Tuyet Lan-thi Vo	4926 Spring Avenue	Lot 1, Block 4487



PROJECT LOCATION



VICINITY MAP: SPRING AVENUE REDEVELOPMENT PROJECT

June 25, 2014

A RESOLUTION DETERMINING UPON THE NECESSITY OF ACQUIRING REAL PROPERTY AND AUTHORIZING ITS APPROPRIATION AND/OR CONDEMNATION FOR PUBLIC USE.

DEFINITIONS: For the purposes of this resolution, the following definitions of terms shall apply:

"CITY": The City of Dallas

"PROPERTY": A total of approximately 8,386 square feet of property located in Dallas County, and being the same property more particularly described in "Exhibit A", attached hereto and made a part hereof for all purposes.

"PROJECT": Spring Avenue Redevelopment

"USE": The construction, widening and improvements to Spring Avenue

"PROPERTY INTEREST": Fee Simple

"OWNER", "OFFER AMOUNT", and "AUTHORIZED AMOUNT" are described below:

Parcel No.	Square Feet	Owner	Closing Costs		Authorized Amount
			Offer Amount	and title expenses not to Exceed	
1	1,724	Dallas Neighborhood Alliance for Habitat	\$2,700	\$2,000	\$4,700
2	2,805	The Heirs at law of Leon Hooker	\$23,000	\$4,000	\$27,000
3	3,857	Tuyet Lan-Thi Vo	\$61,200	\$5,000	\$66,200

Provided, however, that the term "OWNER" as used in this resolution means all persons having an ownership interest, regardless of whether those persons are actually named herein.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the USE of the PROPERTY for the PROJECT is a public use.

SECTION 2. That public necessity requires that the CITY acquire the PROPERTY INTEREST in the PROPERTY for the PROJECT.

June 25, 2014

SECTION 3. That for the purpose of acquiring the PROPERTY INTEREST in the PROPERTY, the Assistant Director of the Department of Sustainable Development and Construction Department, Real Estate Division, or such person as she may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY INTEREST in the PROPERTY.

SECTION 4. That in the event the OWNER accepts the OFFER AMOUNT, the City Controller is authorized and directed to draw a warrant in favor of the OWNER, or the then current owner of record, or the title company closing the transaction described herein in the OFFER AMOUNT and CLOSING COSTS AND TITLE EXPENSES payable out of FY10-11 CDBG REPROGRAMMING Fund No. 10RP, Department HOU, Unit 804D, Activity HO93, Program No. PBNIP007, Object 4210, Encumbrance No. for each is stated below. The OFFER AMOUNT, CLOSING COSTS and TITLE EXPENSES together shall not exceed the AUTHORIZED AMOUNT.

Parcel No.	Encumbrance No.	Owner	Offer Amount	Closing Costs and title expenses not to Exceed	Authorized Amount
1	SUSSD804D32	Dallas Neighborhood Alliance for Habitat	\$2,700	\$2,000	\$4,700
2	SUSSD804D33	The Heirs at law of Leon Hooker	\$23,000	\$4,000	\$27,000
3	SUSSD804D34	Tuyet Lan-Thi Vo	\$61,200	\$5,000	\$66,200

SECTION 5. That the CITY is to have possession of the PROPERTY at closing; and the CITY will pay any title expenses and closing costs. In the event of condemnation, the CITY will pay court costs as may be assessed by the Special Commissioners or the court. Further, that litigation expenses determined by the City Attorney to be necessary are authorized for payment. All costs and expenses described in this section shall be paid from the previously described funds.

SECTION 6. That if the OWNER refuses to accept the OFFER AMOUNT the CITY will appropriate the PROPERTY INTEREST in the PROPERTY for the PROJECT under the laws of eminent domain and the provisions of the Charter of the City of Dallas. In such case, the City Attorney is authorized and requested to file the necessary suit(s) and take the necessary action for the prompt acquisition of the PROPERTY INTEREST in the PROPERTY by condemnation or in any manner provided by law.

June 25, 2014

SECTION 7. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit(s).

SECTION 8. That to the extent the PROPERTY is being purchased wholly or partly with bond proceeds CITY has obtained an independent appraisal of the PROPERTY'S market value.

SECTION 9. That OWNER has been provided with a copy of the Landowner's Bill of Rights as required by Texas Property Code Section 21.0112.

SECTION 10. That in the event the Special Commissioners in Condemnation appointed by the Court return an award that is the same amount or less than the OFFER AMOUNT, the City Attorney is hereby authorized to settle the lawsuit for that amount and the City Controller is hereby authorized to issue a check drawn on the previously described funds in an amount not to exceed the Commissioners' award made payable to the County Clerk of Dallas County, to be deposited into the registry of the Court, to enable the CITY to take possession of the PROPERTY without further action of the Dallas City Council.

SECTION 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
WARREN M. S. ERNST, City Attorney

BY



Assistant City Attorney

EXHIBIT A

PARCEL 1

Field Notes Describing a 1,724 Square Foot (0.0396 Acre) Tract of Land To Be Acquired in Lot 43, City Block B/2421 From The Dallas Neighborhood Alliance for Habitat (Parcel #8-I)

Being a 1,724 Square Foot (0.0396 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, and being a part of Lot 43 of Block B (Block B/2421 Official City of Dallas Block Numbers), of the Parks & Friedman Spring Avenue Addition (2nd) an addition to the City of Dallas recorded in Volume 4, Page 176, of the Map Records of Dallas County, Texas, and being all of the property conveyed to the Dallas Neighborhood Alliance for Habitat by deed dated August 14, 2007 and recorded in Instrument number 20070298435 of the Official Public Records of Dallas County, Texas and being more particularly described as follows:

BEGINNING at a 60-D Nail with washer marked "CITY OF DALLAS" set in the Northeast line of Benton Street (a variable width Right-of-Way), at the common Southwest corner of said Lot 43 and Lot 57 of said Parks & Friedman Spring Avenue Addition (2nd), and the most Westerly corner of the herein described tract of land:

THENCE North $41^{\circ}32'14''$ East, departing the last said Northeast line of Benton Street and with the said common line between Lots 57 and 43, a distance of 23.00 feet to the most Northerly corner of the herein described tract of land, being also the most Westerly corner of a tract of land conveyed to Frances Washington by Deed dated January 8, 1947 and recorded in Volume 2772, Page 254 of the Deed Records of Dallas County, Texas (Not Monumented):

THENCE South $49^{\circ}59'19''$ East, departing the last said common line between Lots 57 and 43 and with the common line between said Frances Washington and Dallas Neighborhood Alliance for Habitat tracts, over and across a portion of Lot 43 a distance of 75.00 feet to a 60-D Nail with washer marked "CITY OF DALLAS" set on the Northwest Right-of-Way line of Spring Avenue (a variable width Right-of-Way), as established by the conveyance of a portion of said Lot 43 to the City of Dallas for street purposes, as recorded in Volume 3165, Page 316 of the Deed Records of Dallas County, Texas, at the most Easterly corner of the herein described tract of land, from which a one-inch diameter Iron Pipe (Controlling Monument) found on the said Northwest line of Spring Avenue bears North $41^{\circ}32'14''$ East a distance of 10.76 feet:

EXHIBIT A

Field Notes Describing a 1,724 Square Foot (0.0396 Acre) Tract of Land To Be Acquired in Lot 43, City Block B/2421 From The Dallas Neighborhood Alliance for Habitat (Parcel #8-I)

THENCE South 41°32'14" West, departing the common line between said Frances Washington and Dallas Neighborhood Alliance for Habitat tracts, and with the said Northwest line of Spring Avenue, a distance of 23.00 feet to a Mag Nail with washer marked "CITY OF DALLAS" set at the most Southerly corner of the herein described tract of land, on the above referenced Northeast line of Benton Street:

THENCE North 49°59'19" West, departing the last said Northwest line of Spring Avenue and with the said Northeast line of Benton Street, a distance of 75.00 feet to the **POINT OF BEGINNING**, containing 1,724 Square Feet, or 0.0396 Acres of land.

BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).



Scott Holt
4/21/2014

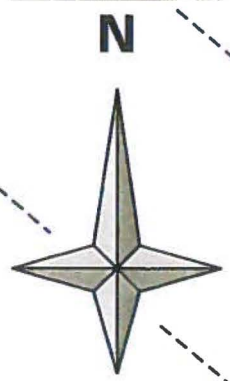


EXHIBIT A

Parks & Friedman
Spring Ave. Addition
Vol. 4, Pg. 176

South Dallas/
Fair Park Inncery
Community Dev. Co.
Instr. #200900212577

Thomas Lagow
Survey
Abstract #759

Mestin Gebre
Vol. 2001075, Pg. 1745

Parcel 8
1,724 Sq. Ft.
(0.0396 Acre) Tract
To Be Acquired

Dallas Neighborhood
Alliance for Habitat
Instr. #20070298435

Glenda R. Johnson
& Juanne J. Johnson
Vol. 2005078, Pg. 2561

Frances Washington
Vol. 2772, Pg. 254

1" I.P. Found
CONTROLLING
MONUMENT

Shady Grove Missionary
Baptist Church
Instr. #20080115508

H. M. Skelton's Addition
Vol. 1, Pg. 77

LEGEND

- ✕ "X" Cut in Pavement
- ⊙ 5/8" Iron Rod wCOD Cap Set
- Mag Nail wCOD Washer Set
- ⊗ 60-D Nail wCOD Washer Set
- * Corner Not Monumented


LOCATOR MAP Sheet 3 of 3

				SPRING AVENUE			
				Property Acquisition for Street Widening			
Dallas Neighborhood Alliance for Habitat (Parcel #8-1)				DEPT. OF PUBLIC WORKS & TRANSPORTATION			
SURVEY DIVISION CITY OF DALLAS, TEXAS							
OPER.NAME	DESIGN FILE NAME		SCALE	DATE			
HOLT	N:\ENGR\SURVEY\LOA\PROJECTS\SPRING AVE\Spring Ave Field Notes.dgn		As Noted	11-9-11			
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.				
PECK	HOLT	SPRING AVE.	311D-4174(8)				


Field Notes Describing a 2,805 Square Foot (0.064 Acre)
Tract of Land in Block 2421
To Be Acquired From Leon Hooker

Being situated in the Thomas Lagow Survey, Abstract No. 759, Dallas County, Texas, and being all of Lot 45, (Block 2241 Official City of Dallas Block Numbers) of the Parks & Friedman Spring Avenue Addition Addition, an addition to the City of Dallas, recorded in Volume 4, Page 176 of the Map Records of Dallas County, and being all of the property conveyed to Leon Hooker by Deed dated March 22, 2002, and recorded in Volume 2002065, Page 796 of the Deed Records of Dallas County, Texas and containing 2,805 square feet, or 0.064 Acres of land, according to the plat thereof.

This description is approved as to form.



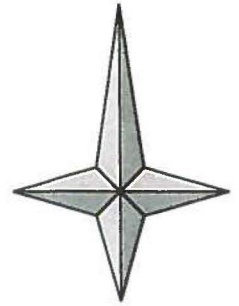
Scott Holt, RPLS
Survey Program Manager
Office of the Chief City Surveyor



Date:

BLOCK 2419

Troy-Spring Addition
Volume 98032, Page 60



BRASHEAR ST.
(30' Right-of-Way)

"X" cut found

"X" cut found

1/2" IR found

Parks & Friedman Spring Ave.
ADDITION
Vol. 4, Pg. 9

2,805 Sq. Ft.
(0.064 Acre) Tract
To Be Acquired
Lot 45, Block 2421

Leon Hooker
Vol. 2002065, Pg. 796

45

Mary Cornelliouis

46

44

Parks & Friedman Spring Ave.
ADDITION
Vol. 4, Pg. 176

47

"X" cut found

38" IR found
CONTROLLING MONUMENT

South Dallas Fair Park Inncrcity
Community Development Co.
Instr. #201000302371

Thomas Lagow
Survey
Abstract #759

SPRING AVENUE
(Variable Width R.O.W.)

BLOCK 2421

33

LOCATOR MAP Sheet 3 of 3

SPRING AVENUE

Property Acquisition for Street Widening

Leon Hooker (Parcel #15)

DEPT. OF PUBLIC WORKS & TRANSPORTATION

SURVEY DIVISION CITY OF DALLAS, TEXAS

OPERNAME	DESIGN FILE NAME	SCALE	DATE
HOLT	N:\ENGR\SURVEY\ILONA\PROJECTS\SPRING AVE\ Spring Ave Field Notes.dgn	As Noted	10-20-11
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.
PECK	HOLT	SPRING AVE.	311D-4174(15)

X cut found
CONTROLLING MONUMENT

PROPERTY TO BE ACQUIRED

EXHIBIT A

PARCEL 3

Parcel 37-I
Field Notes Describing a 3,857 Square Foot (0.089 Acre)
Tract of Land To Be Acquired
in Lot 1 in City Block 4487
From Tuyet Lan-Thi Vo

Being a 3,857 Square Foot (0.089 Acre) Tract of land situated in the Thomas Lagow Survey, Abstract No. 759, City of Dallas, Dallas County, Texas, being a part of Lot 1 (Block 4487, Official City of Dallas Block Numbers) of the D. Rowen Subdivision, an addition to the City of Dallas dated August 29, 1925 and recorded in Volume 3, Page 448 of the Map Records of Dallas County, Texas, and being a part of that property conveyed to Tuyet Lan-Thi Vo by Special Warranty Deed dated November 3, 2010 and recorded in Instrument Number 201000291633 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a ½ inch diameter Iron Pipe found at the intersection of the Southeast line of Spring Avenue (a variable width Right-of-Way), as established by the conveyance of a portion of said Lot 1 to the City of Dallas for street purposes, as recorded in Volume 3128, Page 130 of the Deed Records of Dallas County Texas, with the Southwest Right-of-Way line of Hatcher Street (a variable width Right-of-Way), as established by the conveyance of a portion of said Lot 1 to the City of Dallas for street purposes, as recorded in Volume 3666, Page 123 of the Deed Records of Dallas County, Texas, at the Most Northerly corner of the herein described tract of land:

THENCE South 45°24'01" East, departing the last said Southeast line of Spring Avenue and with the said Southwest line of Hatcher Street, a distance of 39.09 feet to an "X" cut in concrete pavement set at the intersection with the East line of Hatcher Street, as established by the conveyance of a portion of said Lot 1 to the City of Dallas for street purposes, as recorded in Volume 2337, Page 631 of the Deed Records of Dallas County, Texas:

THENCE South 10°29'19" West, departing the last said Southwest line of Hatcher Street and with the said West line of Hatcher Street a distance of 78.54 feet to a one-inch diameter Iron Pipe (Controlling Monument) found at the intersection with the Southwest line of said Lot 1, being also the Northeast line of Lot 2 of said Block 4487:

EXHIBIT A

Parcel 37-I
Field Notes Describing a 3,857 Square Foot (0.089 Acre)
Tract of Land To Be Acquired
in Lot 1 in City Block 4487
From Tuyet Lan-Thi Vo

THENCE North 45°15'03" West, departing the last said West line of Hatcher Street and with the common line between said Lots 1 and 2, a distance of 79.81 feet to a ½ inch diameter Iron Rod (Controlling Monument) found on the above said Southeast line of Spring Avenue as established by said conveyance to the City of Dallas, at the most Westerly corner of the herein described tract of land:

THENCE North 41°39'34" East, departing the last said Southwest line of Lot 1 and with the said Southeast line of Spring Avenue, a distance of 64.90 feet to the **POINT OF BEGINNING**, containing 3,857 Square Feet, or 0.089 Acres of land.

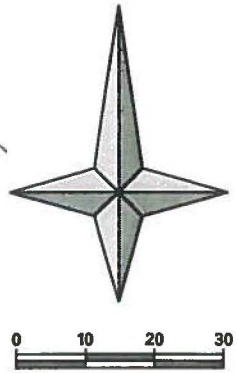
BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).



Scott Holt
4/21/2014

EXHIBIT A

N



Parks & Friedman
Spring Ave. Addition
Vol. 4, Pg. 176

BLOCK 2419

BLOCK 2419
2A

Troy-Spring
ADDITION
Vol. 98032,
Pg. 60

SPRING AVENUE
(Variable Width Right-of-Way)

HATCHER STREET
(Variable Width Right-of-Way)

12" I.P. Found
CONTROLLING
MONUMENT &
POINT OF
BEGINNING

12" IR Found
CONTROLLING
MONUMENT

12" IR Found
CONTROLLING
MONUMENT

1" IP Found
CONTROLLING
MONUMENT

City of Dallas
V 3118 P 218

Parcel 37-I
3,857 Sq. Ft.
(0.089 Acre)
Tract To Be Acquired

1
Tuyet Lan-Thi Vo
Instrument Number
201000291633
(Tract 1)

BLOCK 4487

2

South Dallas / Fair Park
Innecity Community
Development Co.,
Instr. #201000296220

D. Rowen Subdivision
Vol. 3, Pg. 448

Thomas Lagow
Survey
Abstract #759

1" IP Found
CONTROLLING
MONUMENT

LEGEND

- ✕ "X" Cut in Pavement
- ⊙ 5/8" Iron Rod w/COD Cap Set
- Mag Nail w/COD Washer Set
- ⊗ 60-D Nail Set

LOCATOR MAP

Sheet 3 of 3

				SPRING AVENUE			
				Property Acquisition for Street Widening Tuyet Lan-Thi Vo (Parcel #37-I)			
DEPT. OF PUBLIC WORKS & TRANSPORTATION				SURVEY DIVISION CITY OF DALLAS, TEXAS			
OPERNAME	DESIGN FILE NAME		SCALE	DATE			
HOLT	N:\ENGR\SURVEY\ILONA\PROJECTS\SPRING AVE\ Spring Ave Field Notes.dgn		As Noted	4-21-14			
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.				
PECK	HOLT	SPRING AVE.	311D-4174(37)				

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 7
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: N/A

SUBJECT

Frazier Revitalization, Inc. Parkland Clinic

- * Authorize various amendments to the terms of the two prior loan agreements and related security instruments authorized by Resolution Nos. 07-0522 and 10-3080, with Frazier Revitalization, Inc., and Frazier HS, LP for land acquisition, demolition and development of the Frazier-Scyene area to: **(1)** authorize the City Manager to release all the City’s liens securing performance and completion of the project at NMTC closing rather than Certificate of Occupancy; **(2)** allow FRI and Frazier HS LP to transfer certain tracts to Hatcher at Scyene Title Holding Company for development of the new medical clinic; and **(3)** authorize the Director of the Office of Economic Development to extend project deadlines up to 6 months and to execute such other instruments, approved as to form by the City Attorney, as necessary to accommodate the financing structure for this project - Financing: No cost consideration to the City
- * Authorize further amendments to Resolution No. 14-0688 authorizing the Chapter 380 economic development grant agreement with Frazier Revitalization, Inc. and/or Hatcher at Scyene Title Holding Company (collectively, “FRI”), to allow for the flexible structuring of the city’s \$2 million grant payment (with up to \$1.6 million to be used as a “developer fee”) to meet lender requirements for the proposed New Markets Tax Credit financing for this project - Financing: No cost consideration to the City

BACKGROUND

This item was placed on the addendum because the financing must be closed prior to August in order to keep the project on schedule as required by Parkland.

Frazier Revitalization, Inc. (FRI) is a non-profit developer that has been active in the Frazier neighborhood for the past seven years.

BACKGROUND (Continued)

FRI is currently proposing to construct a new medical clinic adjacent to the Hatcher Station DART stop. The clinic will be occupied by Parkland Hospital System. This clinic is Phase One of a mixed-use development.

The new facility will be approximately 44,000 square feet and offer over 50 exam rooms. Services offered will include an adult clinic, geriatric & behavioral health clinic, women and infants specialty health (WISH) clinic, and a pediatric clinic. They are anticipating over 55,000 patients annually, with room for additional expansion. The total project cost is approximately \$19.5 million.

On April 23, 2014, City Council authorized a New Markets Tax Credit transaction between the Dallas Development (DDF) Fund and its subsidiaries, J.P. Morgan Chase (Chase) and its subsidiaries, and Frazier Revitalization, Inc. (FRI) and its affiliates (Developer) for the medical clinic. The transaction provides up to \$15 million in NMTC allocation to the project but requires certain structuring to comply with federal guidelines. FRI created Hatcher at Scyene Title Holding Company as a subsidiary and as the project specific entity as required for NMTC purposes.

On April 23, 2014, City Council also authorized a Chapter 380 grant agreement in an amount not to exceed \$2 million to be funded at financial close and disbursed pari passu through the construction disbursement process. On May 28, 2014, this agreement was amended to allow up to \$1.2 million of the previously approved \$2 million to be made available for bridge funding if all of the following conditions are met: (1) A Senior Loan commitment from Chase Bank; (2) An executed NMTC term sheet between the Dallas Development Fund and JP Morgan Chase; and (3) An executed lease between Parkland and FRI. Any portion of the \$1.2 million in bridge funds expended prior to NMTC closing would be reimbursed by the Developer to the City with funds generated by the NMTC investment, essentially reestablishing \$2 million in Public/Private Partnership funds available to the project at financial close.

BACKGROUND (Continued)

The \$2 million in Public/Private Partnership funds have consistently been identified as funding for gap financing. As the financial structure for the project has been clarified, the intended use of the Public/Private Partnership funds has changed as well. Under the current proposed structure, the \$2 million in Public/Private Partnership funds will be used as follows: (1) the funds will be granted or loaned to FRI or Hatcher at Scyene Title Holding Company; (2) \$1 million of Public/Private Partnership funds will be paid at financial close to either FRI or Hatcher at Scyene Title Holding Company to be deposited into a NMTC Lender controlled account to be used to secure FRI and Hatcher at Scyene Title Holding Company's collective construction completion guaranty through construction completion at which point any remaining funds will be used to secure other obligations of FRI and Hatcher at Scyene Title Holding Company to the NMTC Lender and NMTC Investor (this will be qualified as a "developer fee" by the senior lender if funds were originally paid to Hatcher at Scyene Title Holding Company and not paid directly to FRI.); (3) up to \$430,000 will be payable to FRI at NMTC closing as a developer fee; in turn FRI will use these developer fee proceeds to retire bank debt incurred in the purchase of other property for the later phases of the project; (4) An additional \$170k of Public/Private Partnership funds can be used for developer fee payable to FRI at project completion, such proceeds to be used by FRI for acquisition of property for a future phase of the project; (5) The remaining portion of the Public/Private Partnership funds (approximately \$400,000) will be advanced at closing into an account subject to NMTC lender control and funded pari-passu with NMTC loan proceeds to cover standard project costs other than developer fee.

The City will advance all Public/Private Partnership funds at closing into one or more designated accounts that are subject to lender control to be used for the purposes described above.

Subject to reasonable approval by the project's senior lender, FRI and/or Hatcher at Scyene Title Holding Company may be obligated to repay the \$1 million in Public/Private Partnership funds used to secure the senior loan. Such repayment obligation, if any, will be an unsecured obligation deeply subordinated to the senior lender's loan. If portions of the \$1 million have been used to support FRI obligations to lenders (e.g. completion, compliance, ensuring successful senior loan refinance and repayment of senior loan), these portions would not be due and payable; the repayment requirement would only apply to the portions not used.

BACKGROUND (Continued)

In addition, modifications to Resolution No. 07-0522, as amended by No. 14-0689, are required. On February 14, 2007, City Council authorized a forgivable loan with FRI for land acquisition provided certain conditions were met prior to March 31, 2015. Amendments to the terms of the two prior loan agreements and related security instruments authorized by Resolution Nos. 07-0522 and 10-3080, with Frazier Revitalization, Inc., and Frazier HS, LP are needed for compliance with the NMTC structure. Specifically, the amendments will (1) authorize the city manager to release all the City's liens securing performance and completion of the project at NMTC closing rather than Certificate of Occupancy; (2) allow FRI and Frazier HS LP to transfer certain tracts to Hatcher at Scyene Title Holding Company for development of the new medical clinic; and (3) authorize the Director of the Office of Economic Development to extend project deadlines up to 6 months and to execute such other instruments, approved as to form by the City Attorney, as necessary to accommodate the financing structure for this project.

ESTIMATED SCHEDULE OF THE PROJECT

Begin Construction July 2014
Substantial Completion March 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The FRI Parkland Project was briefed to the Economic Development Committee on April 7, 2014.

On April 14, 2014, City Council authorized a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Frazier Revitalization, Inc., or Hatcher at Scyene Title Holding Company (collectively, "FRI"), in an amount up to \$2,000,000 associated with the development of a medical facility to be constructed at 4600 Scyene Road.

On May 12, 2014, the Economic Development Committee received a memo regarding an amendment to the timing for the Public/Private Partnership funding provided to Frazier Revitalization, Inc. for the Hatcher Station Village project related to the new Parkland Clinic.

On May 21, 2014, City Council authorized amendment to Resolution No. 14-0688, a Chapter 380 economic development grant agreement with Frazier Revitalization, Inc. or Hatcher at Scyene Title Holding Company (collectively, "FRI"), to allow \$1.2 million of the funding related to the development of a medical facility to be constructed at 4600 Scyene Road to be used as bridge financing provided FRI meets certain conditions.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On June 16, 2014, the Economic Development Committee received a memo regarding authorizing amendments for the previously approved Public/Private Partnership funding provided to Frazier Revitalization, Inc., for the Hatcher Station Village project (the new Parkland Clinic) and the forgivable loan agreements for land acquisition of properties for the Parkland Clinic site.

FISCAL INFORMATION

No cost consideration to the City

OWNER

Frazier Revitalization, Inc.

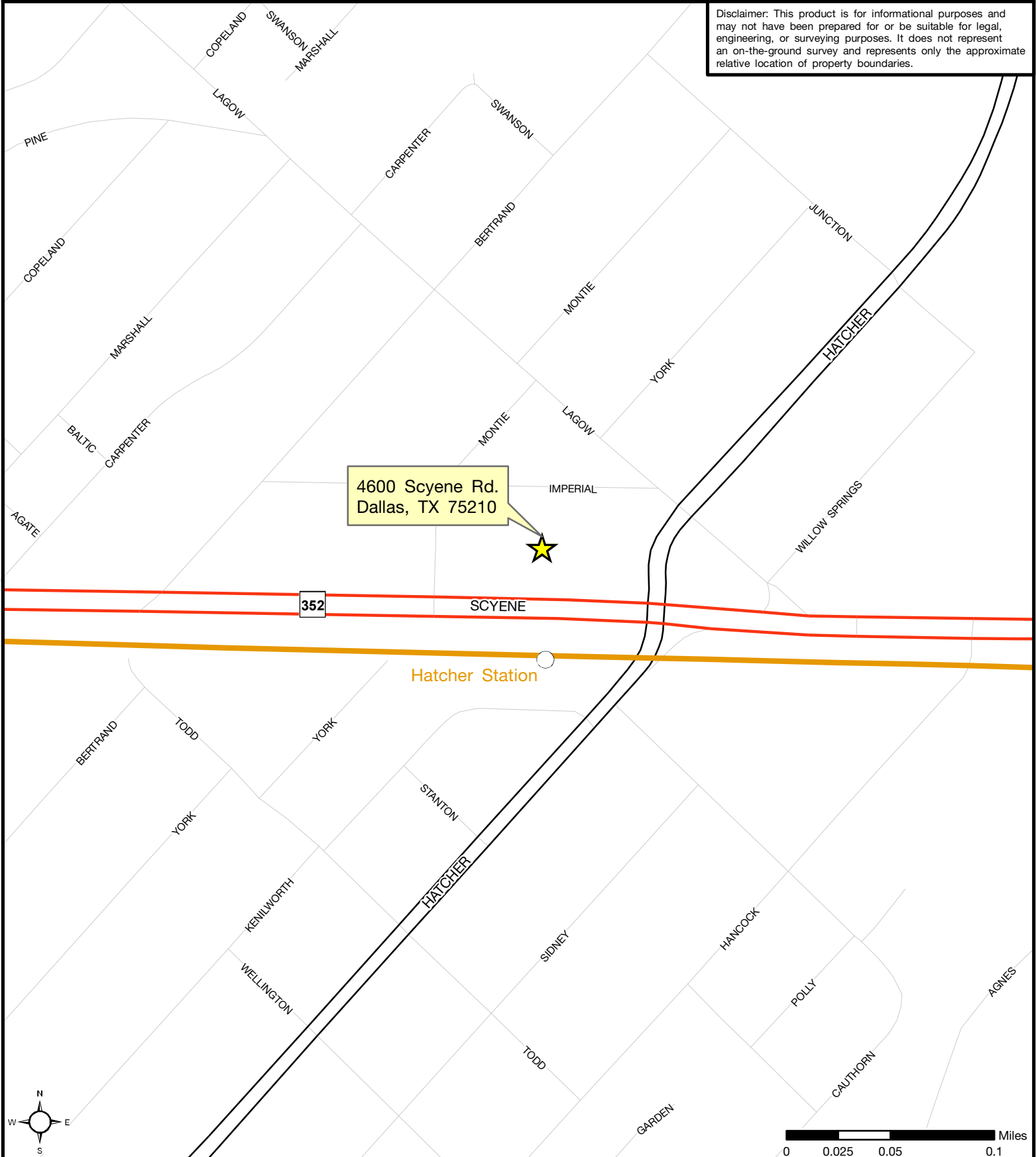
Dorothy Hopkins, President, Chief Executive Officer

MAP

Attached.

Hatcher Station Village Medical Clinic

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



4600 Scyene Rd.
Dallas, TX 75210

352

SCYENE

Hatcher Station

**DALLAS
ECONOMIC
DEVELOPMENT**

Research & Information Division
214.670.1685
dallas-ecodev.org

Legend

-  Rail Station
-  DART Light Rail

-  Highway
-  Arterial
-  Local Road

June 25, 2014

WHEREAS, the City recognizes the importance of economic, community and social development in the South Dallas/Fair Park area in Dallas; and

WHEREAS, on February 14, 2007, City Council authorized Resolution No. 07-0522 authorizing funds for land acquisition to support local economic development in the Frazier-Scyene area; and

WHEREAS, on December 8, 2010, City Council authorized Resolution No. 10-3080 authorizing funds for demolition on the sites acquired by Resolution No. 07-0522; and

WHEREAS, on April 23, 2014, City Council authorized Resolution No. 14-0689 authorizing an amendment to certain conditions of the forgivable loans with Frazier Revitalization, Inc. (FRI) to allow the Hatcher Station Village medical clinic to proceed; and

WHEREAS, on April 23, 2014, City Council authorized Resolution No. 14-0687 authorizing a New Markets Tax Credit (NMTC) transaction with FRI and JPMorgan Chase bank to provide funds for the Hatcher Station Village medical clinic; and

WHEREAS, the NMTC transaction requires the deeds of trust to be released at financial closing rather than Certificate of Occupancy.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to make various amendments to the terms of the two prior loan agreements and related security instruments authorized by Resolution Nos. 07-0522 and 10-3080, with Frazier Revitalization, Inc., and Frazier HS, LP for land acquisition, demolition and development of the Frazier-Scyene area to: (1) release all the City's liens securing performance and completion of the project at NMTC closing rather than Certificate of Occupancy; (2) allow FRI and Frazier HS LP to transfer certain tracts to Hatcher at Scyene Title Holding Company for development of the new medical clinic (as defined in **Exhibit A**); and (3) authorize the Director of the Office of Economic Development to extend project deadlines up to 6 months and to execute such other instruments, approved as to form by the City Attorney, as necessary to accommodate the financing structure for this project.

Section 2. That the remaining terms of the loan agreement and the original authorizing agreement shall remain in full force and effect except as amended herein.

June 25, 2014

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with provisions the of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT "A"

TRACT 9:

Being part of Lot 4 in Block "B"/4476 of THOMPSON & SWANSON'S ADDITION, an Addition to the City of Dallas, Texas, according to the Map thereof recorded in Volume 2, Page 343, Map Records, Dallas County, Texas, and being more particularly described as follows:

BEING part of Lot 4, in Block B/4476 of Thompson and Swanson's Addition, an Addition to the City of Dallas, Dallas County, Texas, according to map or plat thereof recorded in Volume 2, Page 343, of the Map Records of Dallas County, Texas, and being part of the same tract of land conveyed to Marthel Smith by Deed recorded in Volume 690, Page 1579, Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod set with yellow cap stamped DCA Inc. for corner, said corner lying in the North line of Scyene Road (variable width right-of-way), said corner being South 00 degrees 18 minutes 27 seconds East, 2.41 feet from the Southeast corner of a tract of land conveyed to Frazier Revitalization, Inc. by Deed recorded in Document No. 20080195479 of the Official Public Records, Dallas County, Texas;

THENCE North 00 degrees 18 minutes 27 seconds East, a distance of 2.41 feet to the Southeast corner of said Frazier tract, and continuing a total distance of 90.62 feet to a 5/8 inch iron rod found for corner, said corner lying in the South line of a 15 foot alley;

THENCE East, along the South line of said alley, a distance of 49.89 feet to a 1/2 inch iron rod found for corner, said corner being the Northwest corner of a tract of land conveyed to Juma Real Estate, Limited Partnership by Deed recorded in Volume 2001120, Page 7587, Deed Records, Dallas County, Texas;

THENCE South 00 degrees 47 minutes 25 seconds West, along the West line of said Juma tract, a distance of 90.79 feet to a brass monument found for corner, said corner lying in the North line of said Scyene Road;

THENCE North 89 degrees 49 minutes 11 seconds West, along the North line of said Scyene Road, a distance of 49.12 feet to the POINT OF BEGINNING and containing 4,490 square feet or 0.10 acres of land.

TRACT 10:

Being part of Lots 5, 6, 7, 8, 9, and 10 in the Block B/4476 of THOMPSON & SWANSON ADDITION, an Addition to the City of Dallas, Dallas County, Texas according to the plat thereof recorded in Volume 2 at Page 343 of the Map Records, Dallas County, Texas, and being more particularly described by metes and bounds as follows:

BEING a part of Lots 5, 6, 7, 8, 9 and 10 in the Block B/4476 of Thompson and Swanson Addition, an Addition to the City of Dallas, Dallas County, Texas according to the plat thereof recorded in Volume 2, Page 343 of the Map Records, Dallas County, Texas, and, being the same lots conveyed to Juma Real Estate Limited Partnership, by Deed recorded in Volume 2001120, Page 07587, Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner at the intersection of the West line of Hatcher Street (80.0 foot right of way) as described in First Tract in Deed to the City of Dallas recorded in Volume 3668, Page 472 of the Deed Records of Dallas County, Texas, and North line of Scyene Road, (variable width right of way) as described in Cause No. CC-78-402-6 to the State of Texas;

THENCE North 89 degrees 49 minutes 11 seconds West, along said North right of way line of Scyene Road, a distance of 297.93 feet to a Texas Highway Department brass monument found for corner in the above mentioned Lot 5 West line and the East line of Lot 4;

THENCE North 00 degrees 47 minutes 25 seconds East, along the common line of said Lots 4 and 5, a distance of 90.79 feet to a 1/2 inch iron rod found for corner, said corner being the Northeast corner of said Lot 4 and lying in the South line of a 15.0 foot alley;

THENCE, East, along the South line of said 15 foot alley, a distance of 299.33 feet to a P.K. Nail found for corner in said West line of Hatcher Street, said corner being in a curve to the left with a delta angle of 11 degrees 19 minutes 44 seconds, a radius of 251.00 feet, and a chord bearing and distance of South 04 degrees 15 minutes 57 seconds West, 49.55 feet;

THENCE along said curve to the left, an arc length of 49.63 feet to a 5/8 inch iron rod found for corner;

THENCE South 01 degree 23 minutes 51 seconds East, along said West line of Hatcher Street, a distance of 42.32 feet to the POINT OF BEGINNING and containing 0.6222 acres or 27,107.00 square feet of land.

TRACT 11:

Being all that certain lot, tract or parcel of land situated in the Thomas Lagow Survey, Abstract No. 759, in the City of Dallas, Dallas County, Texas, and being part of Lots 16 and 17 and all of Lot 18, Block B/4476 of the Thompson and Swanson Addition, an Addition to the City of Dallas, Dallas County, Texas, according to the Map recorded in Volume 2, Page 343 of the Map Records of Dallas County, Texas, and being all of a tract of land conveyed to Tesfa Gebreedingil by deed recorded in Volume 87229, Page 3855 of the Deed Records of Dallas County, Texas, and being more particularly described by metes and bounds as follows:

Beginning at a 5/8 inch iron rod found in the South right-of-way line of Imperial Street (40 foot R.O.W.) and being the Northeast corner of Lot 19 of said addition, same being a tract of land conveyed to True Lee Missionary Baptist Church by deed recorded in Volume 93091, Page 3966 of the Deed Records of Dallas County, Texas, same being the Northwest corner of said herein described tract;

Thence 89 degrees 57 minutes 22 seconds East along the South right-of-way line of said Imperial Street a distance of 114.86 feet to a "X" set in concrete in the Southwest right-of-way line of Lagow Street (60 foot R.O.W.), same being the Northerly most Northeast corner of said herein described tract;

Thence South 50 degrees 07 minutes 46 seconds East along the Southwest right-of-way line of said Lagow Street a distance of 57.86 feet to a point for corner in the Northwest right-of-way line of Hatcher Street (80 foot R.O.W.), and being the beginning of a curve to the left having a delta angle of 25 degrees 48 minutes 14 seconds, a radius of 246.00 feet and a chord bearing and distance of South 27 degrees 39 minutes 05 seconds West, 109.86 feet;

Thence along the Northwest right-of-way line of said Hatcher Street and along said curve to the left having an arc length of 110.79 feet to a point for a corner in the North line of a 15 foot alley, same being the Southeast corner of said herein described tract;

Thence South 89 degrees 41 minutes 25 seconds West along the North line of said 15 foot alley passing a "X" set in concrete at 5.17 feet and continuing a total distance of 108.28 feet to a 5/8 inch iron rod found at the Southeast corner of said Lot 19, same being the Southwest corner of said herein described tract;

Thence North along the East line of said Lot 19 a distance of 134.89 feet to the Point of Beginning and containing 17.671 square feet or 0.41 acres of land.

June 25, 2014

WHEREAS, the City recognizes the importance of its role in local economic development; and

WHEREAS, on June 13, 2012, the City Council elected to continue its participation in tax abatement and the Public/Private Partnership Program Guidelines and Criteria governing tax abatement agreements to be entered by the City as required by the Property Redevelopment and Tax Abatement Act, as amended, V.T.C.A. Tax Code, Chapter 312 (the "Act") by Resolution No. 12-1520 and as amended by Resolution No. 13-0728; and

WHEREAS, on April 23, 2014, City Council authorized Resolution No. 14-0688 to authorize a Chapter 380 economic development grant agreement pursuant to the Public/Private Partnership Program with Frazier Revitalization, Inc., or Hatcher at Scyene Title Holding Company (collectively, "FRI"), in an amount up to \$2,000,000 associated with the development of a medical facility to be constructed at 4600 Scyene Road ("Project"); and

WHEREAS, the City now desires to authorize an amendment to Resolution No. 14-0688, to establish additional flexibility as to how the previously authorized \$2 million may be advanced, structured, and disbursed to ensure compatibility with the other components of project financing.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to make further amendments to Resolution No. 14-0688, authorizing the Chapter 380 Grant Agreement with Frazier Revitalization, Inc. and/or Hatcher at Scyene Title Holding Company (collectively "FRI") to allow for flexible structuring of the city's \$2 million grant payment and to incorporate the following:

Strike section 1 (a) which currently reads:

That the actual amount and payment of the grant shall not exceed \$2,000,000 and shall serve as gap financing for the Parkland Medical Clinic. Funds will be used for development of a medical clinic. Funds will be payable at financial closing, but will be disbursed pari passu through the construction disbursement process. Of this \$2,000,000, up to \$1.2 million shall be available on a reimbursement basis to offset development costs provided that the following conditions are met: (1) an executed term sheet is in place for the senior debt; (2) an executed term sheet is in place for the NMTC funding; and (3) an executed lease is in place between FRI and Parkland.

June 25, 2014**Section 1. (Continued)**

And replace it with a new Section 1 (a) to read:

That the actual combined amount of the grant and loan shall not exceed \$2,000,000 and shall serve as gap financing for the Parkland Medical Clinic. Funds will be used for expenses related to development of a medical clinic including, but not limited to, acquisition of land for future project phases, payment of developer fees, and establishment of reserve accounts as required by the Senior Lender to secure FRI's various obligations under the Senior Loan and NMTC transaction documents.

The funds will be used as follows: (1) granted or loaned to FRI or Hatcher at Scyene Title Holding Company; (2) \$1 million of Public/Private Partnership funds will be paid at financial close to either FRI or Hatcher at Scyene Title Holding Company to be deposited into a NMTC Lender controlled account to be used to secure FRI and Hatcher at Scyene Title Holding Company's collective construction completion guaranty through construction completion at which point any remaining funds will be used to secure other obligations of FRI and Hatcher at Scyene Title Holding Company to the NMTC Lender and NMTC Investor (through the payment of \$1 million of developer fee to FRI if the funds were originally paid to Hatcher at Scyene Title Holding Company at financial close and not paid directly to FRI) (3) up to \$430,000 will be payable to FRI at NMTC closing as a developer fee; (4) An additional \$170k of Public/Private Partnership funds can be used for developer fee payable to FRI at project completion; (5) The remaining portion of the Public/Private Partnership funds (approximately \$400,000) will be advanced at closing into an account subject to NMTC lender control and funded pari-passu with NMTC loan proceeds to cover standard project costs other than developer fee.

The City will advance all Public/Private Partnership funds at closing into one or more designated accounts that are subject to lender control to be used for the purposes described above.

Subject to reasonable approval by the project's senior lender, FRI and/or Hatcher at Scyene Title Holding Company may be obligated to repay the \$1 million in Public/Private Partnership funds used to secure the senior loan. Such repayment obligation, if any, will be an unsecured obligation deeply subordinated to the senior lender's loan. If portions of the \$1 million have been used to support FRI obligations to lenders (e.g. completion, compliance, ensuring successful senior loan refinance and repayment of senior loan), these portions would not be due and payable; the repayment requirement would only apply to the portions not used.

June 25, 2014**Section 1.** (Continued)

Prior to financial closing, up to \$1.2 million shall be available on a reimbursement basis to offset development costs other than developer fees provided that the following conditions are met: (1) an executed term sheet is in place for the senior debt; (2) an executed term sheet is in place for the NMTC funding; and (3) an executed lease is in place between FRI and Parkland. These funds will be eligible for reimbursement at NMTC closing from NMTC loan proceeds; the proceeds of such reimbursement will be usable as a Public/Private Partnership funding source so that up to \$2 million in aggregate, including reimbursement proceeds and any additional Public/Private Partnership funding newly advanced at NMTC closing can be made available for grant and loan purposes as outlined above.

Section 2. That the remaining terms of the loan agreement and the original authorizing agreement shall remain in full force and effect except as amended herein.

Section 3. That after the seven year NMTC compliance period, the City Controller is authorized to accept and deposit loan or grant funds used as a reserve for the project in an amount of up to \$1,000,000 in Fund 0352, Department ECO, Unit 9992, Revenue Source 8488.

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 25, 2014
COUNCIL DISTRICT(S): 2
DEPARTMENT: Aviation
CMO: Theresa O'Donnell, 671-9195
MAPSCO: 34E

SUBJECT

Authorize an increase in the daily rates charged for parking in Garages A and B and valet services at Dallas Love Field, effective ~~July 1, 2014~~ August 1, 2014 - Estimated Revenue: ~~\$2,667,937~~ \$4,140,001

BACKGROUND

In 2007, the City completed an Airport Rates and Charges Study that provided the foundation for a financing structure for the Department of Aviation. One of the study's recommendations was to review rates every 18-24 months with the goal of gradually increasing the rates over several years to market levels. The initial adjustment occurred on October 1, 2008. In accordance with recommendations of the 2007 study, staff recommends increasing the parking rates at Dallas Love Field.

The new parking rates will affect Garages A and B only. Short-term parking will continue to be provided in Parking Garage A, the garage closest to the terminal building, and will have a maximum parking rate of ~~\$16~~ \$17 per day. Long-term parking will be provided in Parking Garage B and will have a maximum parking rate of ~~\$42~~ \$13 per day. Airport tenant employees will continue to be charged \$30 per month. The new parking garage rates will generate approximately ~~\$2,542,701.17~~ \$4,014,766.17 in additional annual revenue over the next year.

The new valet rate will have a maximum rate of \$24 per day, over the current \$21 per day. The new valet rate will increase valet revenue by an estimated \$125,235.22 per year.

BACKGROUND (Continued)

The following information details the current and proposed parking rates at Dallas Love Field.

Existing Parking & Valet Rates (since October 1, 2010):

<u>SHORT-TERM</u> (Parking Garage A)	<u>LONG-TERM</u> (Parking Garage B)	<u>VALET</u> (since 2013)
0 - ½ Hour \$ 0.00	0 - ½ Hour \$ 0.00	\$21.00 per day
½ - 1 Hour \$ 3.00	½ - 1 Hour \$ 2.00	
1 - 2 Hours \$ 6.00	1 - 2 Hours \$ 4.00	
2 - 3 Hours \$ 8.00	2 - 3 Hours \$ 6.00	
3 - 5 Hours \$11.00	3 - 5 Hours \$ 8.00	
5 - 24 Hours \$14.00	5 - 24 Hours \$10.00	

Proposed Parking & Valet Rates:

<u>SHORT-TERM</u> (Parking Garage A)	<u>LONG-TERM</u> (Parking Garage B)	<u>VALET</u>
0 - ½ Hour \$ 0.00	0 - ½ Hour \$ 0.00	0 - 1 Hour \$ 6.00
½ - 1 Hour \$ 3.00 <u>4.00</u>	½ - 1 Hour \$ 2.00 <u>3.00</u>	1 - 2 Hours \$ 13.00
1 - 2 Hours \$ 6.00	1 - 2 Hours \$ 4.00 <u>5.00</u>	2 - 3 Hours \$ 16.00
2 - 3 Hours \$ 9.00 <u>10.00</u>	2 - 3 Hours \$ 7.00	3 - 5 Hours \$ 19.00
3 - 5 Hours \$ 12.00 <u>13.00</u>	3 - 5 Hours \$ 9.00 <u>10.00</u>	5- 24 Hours \$ 24.00
5 - 24 Hours \$ 16.00 <u>17.00</u>	5 - 24 Hours \$ 12.00 <u>13.00</u>	

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Approved Parking Rate Revision, by Resolution No. 87-0905, on March 18, 1987.

Approved Parking Rate Revision, by Resolution No. 88-0518, on February 10, 1988.

Approved Parking Rate Revision, by Resolution No. 88-3127, on September 28, 1988.

Approved Parking Rate Revision, by Resolution No. 92-2473, on June 24, 1992.

Approved Parking Rate Revision, by Resolution No. 08-2405, on September 10, 2008.

Approved Parking Rate Revision, by Resolution No. 08-2825, on October 22, 2008.

Briefed to the Economic Development Committee, on August 16, 2010.

Briefed to the Budget, Finance & Audit Committee on June 2, 2014.

FISCAL INFORMATION

~~\$2,667,936.39~~ \$4,140,001.39 - Estimated Revenue (increase over a ~~two~~ one-year period)

June 25, 2014

WHEREAS, the 2007 Airport Rates and Charges Study provides the framework for setting fees and charges for the Department of Aviation; and,

WHEREAS, the 2007 Airport Rates and Charges Study directed staff to review and, if necessary, adjust parking rates every 18 to 24 months to achieve market level parking rates; and,

WHEREAS, the last review and adjustment to parking rates occurred on October 1, 2008; and,

WHEREAS, it is the recommendation of the Director of Aviation to increase the daily parking rates charged for Garages A and B at Dallas Love Field to become effective July 1, 2014.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to increase the daily parking rates charged for Garages A and B and valet services at Dallas Love Field to become effective ~~July 1, 2014~~ August 1, 2014 in accordance with the following schedule:

Proposed Parking & Valet Rates:

<u>SHORT-TERM</u> (Parking Garage A)	<u>LONG-TERM</u> (Parking Garage B)	<u>VALET</u>
0 - ½ Hour \$ 0.00	0 - ½ Hour \$ 0.00	0 - 1 Hour \$ 6.00
½ - 1 Hour \$ 3.00 <u>4.00</u>	½ - 1 Hour \$ 2.00 <u>3.00</u>	1 - 2 Hours \$13.00
1 - 2 Hours \$ 6.00	1 - 2 Hours \$ 4.00 <u>5.00</u>	2 - 3 Hours \$16.00
2 - 3 Hours \$ 9.00 <u>10.00</u>	2 - 3 Hours \$ 7.00	3 - 5 Hours \$19.00
3 - 5 Hours \$ 12.00 <u>13.00</u>	3 - 5 Hours \$ 9.00 <u>10.00</u>	5- 24 Hours \$24.00
5 - 24 Hours \$ 16.00 <u>17.00</u>	5 - 24 Hours \$ 12.00 <u>13.00</u>	

Section 2. That the City Controller is hereby authorized to deposit all revenues received from operating the parking garage to: Aviation Operating Fund 0130; Dept. AVI; Unit 7751; Revenue Source 7811.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

AGENDA ITEM # 5

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: Business Development & Procurement Services
City Controller

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

An ordinance authorizing the issuance of the City of Dallas, Texas Waterworks and Sewer System Series E short term obligations in an aggregate principal amount not to exceed \$300,000,000 authorizing such short term obligations to be issued, sold and delivered in various forms, including commercial paper notes and a bank note; making certain covenants and agreements in connection therewith; re-establishing the 10-year tenor of the program by extending the maturity date to September 30, 2024; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including **(1)** the re-appointment of U.S. Bank Trust National Association as the Issuing and Paying Agent and authorizing the execution of an Issuing and Paying Agent Agreement, **(2)** authorizing a Credit Agreement with JPMorgan Chase; and **(3)** the appointment of Dealer JPMorgan Securities and authorizing the execution of a Commercial Paper Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date – Total not to exceed \$3,939,590 – Financing: Water Utilities Current Funds (\$507,350 upfront closing costs plus annual fee of \$1,144,080 for a total 3-year cost of \$3,939,590) (subject to annual appropriations)

BACKGROUND

Commercial paper provides interim financing for Water Utilities (DWU) capital projects. The use of commercial paper permits more cost efficient use of capital as short-term debt is issued to closely match the amount and payment for improvement projects.

Commercial paper notes are normally sold at rates of interest that are lower than rates available at the same time on long-term debt. Outstanding commercial paper is periodically refinanced with long-term debt.

BACKGROUND (Continued)

In 1987, City Council authorized an ordinance establishing a commercial paper program as interim financing for Dallas Water Utilities capital improvements for a period of 10 years, ending in September 1997, with a maximum issuance amount of \$100 million. Since 1987, DWU’s initial commercial paper program has been reauthorized several times and increased in total size to \$300 million. The current program was authorized to be issued in two series, up to a maximum amount of \$200 million as Series B notes and a maximum amount of \$100 million as Series C notes. The authorization expires on September 30, 2014.

Originally, commercial paper issuances were supported by lines of credit from highly rated banks. These lines of credit assure investors that the notes were paid in the unlikely event that a note cannot be sold to another investor at maturity. Series B and C programs were supported by lines of credit from Bank of America, approved in 2004 and extended for a three-year period in 2008 to September 28, 2011. Pursuant to the credit agreement for the Series B and Series C program, the City requested a three-year extension from Bank of America to coincide with the expiration of the programs in September, 2014. Bank of America agreed to the extension of the lines of credit with the addition of JPMorgan Chase Bank as an additional provider.

On February 11, 2009, City Council authorized Ordinance No. 27486 establishing the Series D commercial paper program for a period of 10 years, ending in September 2019, with a maximum issuance amount of \$300 million.

Current service providers for the Series D program are U.S. Bank National Association, as Issuing and Paying Agent, Bank of America Merrill Lynch as commercial paper dealer, and State Street Bank N.A., and the California State Teachers’ Retirement System as Liquidity Facility providers.

A five member evaluation committee was selected from the following departments:

- City Controller’s Office (1)
- Office of Financial Services (1)
- Water Utilities (1)
- Financial Advisors (2)*

*The Financial Advisors evaluated the proposed costing.

The successful proposer was selected by the committee on the basis of demonstrated competence and qualifications under the following criteria:

- Lowest Cost, consistent with the other selection criteria 30%
- Proposed responsiveness 20%
- Ability to meet service requirements 15%
- Overall services and resources available 20%

BACKGROUND (Continued)

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out 125 email bid notifications to vendors registered under respective commodities. To further increase competition, Business Development and Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, notifications were sent by the Business Development and Procurement Services' ResourceLINK Team (RLT) to 25 chambers of commerce, the DFW Minority Business Council and the Women's Business Council – Southwest, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 28, 2004, City Council approved an increase in the size of the commercial paper program to \$300,000,000 by Resolution No. 04-1473.

On August 25, 2004, Ordinance No. 25714 authorized issuance of \$200,000,000 Series B Commercial Paper Notes; and Ordinance No 25715 authorized issuance of \$100,000,000 Series C Commercial Paper Notes, including approval of the Credit Agreements with Bank of America N.A.

On August 27, 2008, City Council approved a three-year extension of the Series B and Series C Credit Agreements with Bank of America N.A. by Resolution No. 08-2261.

On August 24, 2011, City Council approved a three-year extension of the Series B and Series C Credit Agreements with Bank of America N.A. and JP Morgan Chase Bank N.A. by Resolution No. 11-2252.

On February 11, 2009, Ordinance No. 24786 authorized **(1)** the issuance of City of Dallas, Texas Waterworks and Sewer System Series D short term obligations in an aggregate principal amount not to exceed \$300,000,000; authorizing such short term obligations to be issued, sold and delivered in various forms, including commercial paper notes and a bank note; making certain covenants and agreements in connection therewith; establishing the 10-year tenor of the program with a maturity date of September 30, 2019; resolving other matters related to the issuance, sale, security and delivery of such short term obligations, including **(a)** authorizing a thirty-six-month Credit Agreement with U.S. Bank Trust National Association, as agent for the syndicate, that includes California State Teacher's Retirement System and California Public Employees' Retirement System, **(b)** the appointment of U.S. Bank Trust National Association as the Issuing and Paying Agent and authorizing the execution of an Issuing and Paying Agent Agreement, and,

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

(c) the appointment of Banc of America Securities LLC and M R Beal & Company as the co-dealers and authorizing the execution of a Dealer Agreement; approving the payment of issuance costs in connection with the issuance of the short term obligations; approving the use of an Offering Memorandum in connection with the sale of the short term obligations; and providing an effective date; and (2) a resolution authorizing amendments to the Credit Agreement with Bank of America, N.A. for the City of Dallas, Texas Waterworks and Sewer System Series B and Series C short term obligations to permit the Series D short term obligations to have parity with the Series B and Series C short term obligations by Resolution No. 09-0465.

On August 24, 2011, City Council approved a three-year extension of the Series B and Series C Credit Agreements with Bank of America N.A. and JP Morgan Chase Bank N.A. by Resolution No. 11-2252.

On January 17, 2012, the Budget, Finance and Audit Committee was briefed on Series D commercial paper.

On February 08, 2012, City Council approved a three-year extension of the Series D Credit Agreement, Issuing & Paying Agent Agreement, and Dealer Agreement by Resolution No. 12-0500.

On June 2, 2014 this item was briefed to the Budget, Finance and Audit Committee.

FISCAL INFORMATION

\$3,939,590 – Water Utilities Current Funds (subject to annual appropriations)

Costs for the \$300,000,000 program are not to exceed \$3,939,590 (fees will be paid quarterly throughout the three-year contract period).

M/WBE INFORMATION

All work related to the Credit Agreement will be performed by Bank of America, N.A.

- 23 - Vendors contacted
- 23 - No response
 - 0 - Response (Bid)
 - 0 - Response (No bid)
 - 0 - Successful

125 - M/WBE and Non-M/WBE vendors were contacted

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted by Council Resolution No. 08-2826 as amended.

ETHNIC COMPOSITION

JP Morgan Chase Bank N.A.

White Male	37,123	White Female	41,863
Black Male	6,938	Black Female	15,563
Hispanic Male	11,607	Hispanic Female	19,128
Other Male	9,843	Other Female	9,811

U.S. Bank National Association

White Male	19,199	White Female	29,230
Black Male	1,662	Black Female	3,862
Hispanic Male	1,855	Hispanic Female	3,398
Other Male	2,323	Other Female	3,594

PROPOSAL INFORMATION

The following proposals were received from solicitation number BHZ1407 and were opened on March 6, 2014. These contracts are being awarded in their entirety for each respective service to the most advantageous proposers.

*Denotes successful proposers

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
<u>Commercial Paper Dealers</u>		
*J.P. Morgan Securities	10 South Dearborn Floor 13 Chicago, Il 60603	98.8%
Wells Fargo Bank, N.A.	16414 San Pedro Avenue Suite 610 San Antonio, TX 78232	85.2%
Jefferies & Company, Inc.	13355 Noel Road Suite 1400 Dallas, TX 75240	93.0%
Morgan Stanley	1585 Broadway New York, NY 10036	89.2%
Loop Capital Markets, LLC.	2911 Turtle Creek Boulevard Suite 3045 Dallas, TX 75219	75.2%

PROPOSAL INFORMATION (Continued)

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
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Commercial Paper Dealers

RBC Capital Markets, LLC.	3 World Financial Center 200 Vesey Street 9 th Floor New York, NY 10281	80.7%
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Bank of America Merrill Lynch	4 Work Financial Center 11th Floor New York, NY 10080	82.4%
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Citigroup Global Markets Inc.	2000 W. Sam Houston Parkway Suite 600 Houston, TX 77042	77.6%
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<u>Proposers</u>	<u>Address</u>	<u>Score</u>
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Liquidity Providers

*J.P. Morgan Chase Bank, NA	383 Madison Avenue Floor 08 New York, NY 10179	99.4%
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Citigroup Global Markets Inc.	2000 W. Sam Houston Parkway Suite 600 Houston, TX 77042	79.2%
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Bank of America Merrill Lynch	4 Work Financial Center 11th Floor New York, NY 10080	83.5%
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The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1251 Avenue of the Americas 12th Floor New York, NY 10020	83.7%
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U.S. Bank National Association	800 Nicollett Mall Minneapolis, MN 55402	78.6%
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Bank of America Merrill Lynch (alternate)	4 Work Financial Center 11th Floor New York, NY 10080	Non-Responsive**
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PROPOSAL INFORMATION (Continued)

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
<u>Liquidity Providers</u>		
RBC Capital Markets, LLC.	3 World Financial Center 200 Vesey Street 9 th Floor New York, NY 10281	Non-Responsive**

**Bank of America Merrill Lynch (alternate Response) and RBC Capital Markets, LLC. were deemed non-responsive due to not meeting specifications.

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
<u>Commercial Paper Issuing and Paying Agents</u>		
*U.S. Bank National Association	800 Nicollet Mall Suite 800 Minneapolis, MN 55402	97.0%

OWNERS

J.P. Morgan Chase Bank, NA

James M. Collins, Chief Financial Officer
Patrick P. Dempsey, Treasurer
William H. Freilich, Chief Legal Officer

U.S. Bank National Association

Richard K. Davis, Chairman
Jennie P. Carlson, Executive Vice President
Andrew Cecere, Vice Chairman

ORDINANCE NO. _____

AN ORDINANCE approving and authorizing the issuance by the City of Dallas of its Waterworks and Sewer System Commercial Paper Notes, Series E, in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, to provide interim financing to pay Project Costs for Eligible Projects and to refund obligations issued in connection with Eligible Projects; authorizing the issuance and delivery of promissory notes in connection with the issuance, sale and delivery of Commercial Paper Notes, and prescribing the terms, features and characteristics of such instruments; approving and authorizing certain authorized officers and employees to act on behalf of the City in the selling and delivery of such Commercial Paper Notes, within the limitations and procedures specified herein; making certain covenants and agreements in connection therewith; resolving other matters incident and related to the issuance, sale, security and delivery of such Commercial Paper Notes, including the approval and authorizing the execution of a Credit Agreement, a Dealer Agreement and an Issuing and Paying Agent Agreement in the manner herein provided, and approving the use of an Offering Memorandum in connection with the sale from time to time of such Commercial Paper Notes; and providing an effective date.

THE STATE OF TEXAS :
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :
CITY OF DALLAS :

WHEREAS, the City of Dallas, Texas (the "City" or the "Issuer") is a "Home-Rule City", acting as such under the Constitution and laws of the State of Texas, and has a population in excess of 50,000; and

WHEREAS, the City currently has outstanding revenue bonds (hereinafter defined as the "Outstanding Prior Lien Bonds") payable from and secured by a first lien on and pledge of "Pledged Revenues", which include the Net Revenues of the System; and

WHEREAS, the ordinances authorizing the Outstanding Prior Lien Bonds reserve to the City the right to issue (i) additional bonds on a parity with the Outstanding Prior Lien Bonds, and (ii) bonds, notes or other obligations payable from and secured by a lien on and pledge of the Pledged Revenues subordinate to the first lien on and pledge of the Pledged Revenues securing the Outstanding Prior Lien Bonds and additional bonds issued on a parity therewith; and

WHEREAS, on August 25, 2004, the City Council adopted Ordinance No. 25714, which authorizes the issuance of its commercial paper notes pursuant to the provisions of Chapter 1371,

Texas Government Code (the "Act"), to provide interim financing for additions, improvements and extensions to the System in an aggregate principal amount at any one time outstanding not to exceed \$200,000,000 (the "Series B Commercial Paper Notes"); and

WHEREAS, on August 25, 2004, the City Council adopted Ordinance No. 25715, which authorizes the issuance of its commercial paper notes pursuant to the provisions of the Act, to provide interim financing for additions, improvements and extensions to the System in an aggregate principal amount at any one time outstanding not to exceed \$100,000,000 (the "Series C Commercial Paper Notes"); and

WHEREAS, on February 11, 2009, the City Council adopted Ordinance No. 27486, which authorizes the issuance of its commercial paper notes pursuant to the provisions of the Act, to provide interim financing for additions, improvements and extensions to the System in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000 (the "Series D Commercial Paper Notes"); and

WHEREAS, State Street Bank and Trust Company ("State Street Bank") and the California State Teachers' Retirement System ("CalSTRS") provide liquidity support for the Series D Commercial Paper Notes pursuant to the terms of a Credit Agreement, dated March 1, 2012 and effective March 16, 2012, between the City, State Street Bank, as agent and bank, and CalSTRS, as bank (the "Series D Credit Agreement"); and

WHEREAS, the City Council hereby finds and determines that authority to issue Series B Commercial Paper Notes and the Series C Commercial shall be terminated, and that the establishment of a new commercial paper note program, and the issuance of a new series of commercial paper notes, to be designated the "Series E Commercial Paper Notes", is desirable to enable the City to generate economies of scale and to finance improvements and extensions to the System under terms more favorable than currently exist under the ordinances authorizing the Series B Commercial Paper Notes and the Series C Commercial Paper Notes; and

WHEREAS, the commercial paper notes authorized to be issued pursuant to this Ordinance constitute bond anticipation notes which the City intends to retire through the issuance of its revenue bonds; and

WHEREAS, the City Council hereby finds and determines that the issuance of commercial paper notes and promissory notes, subject to the terms, conditions and limitations hereinafter prescribed, should be approved and authorized at this time;

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

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this ordinance or any ordinance amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"Act" shall mean Chapter 1371, Texas Government Code.

"Authorized Representative" shall mean one or more of the following officers or employees of the City, acting in concert or individually, to-wit: the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer of the City, or such other officer or employee of the City designated in writing by the City Manager or the Chief Financial Officer, and approved by the City Council, to act as an Authorized Representative.

"Bank" shall mean JPMorgan Chase Bank, National Association.

"Bond Counsel" shall mean an attorney or firm of attorneys which are nationally recognized as having expertise in the practice of tax-exempt municipal finance law, as approved by the City.

"Business Day" shall have the same meaning given said term in the Credit Agreement.

"CalSTRS" shall have the meaning given said term in the preamble to this Ordinance.

"CalSTRS Note" shall mean the bank note issued by the City to CalSTRS in accordance with the terms of the Series D Credit Agreement.

"City" or "Issuer" shall mean the City of Dallas, Texas.

"City Council" shall mean the governing body of the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Paper Note" shall mean a commercial paper note issued pursuant to the provisions of this Ordinance, having the terms and characteristics specified in **Section 2.03** hereof and in the form described in **Section 2.05** hereof.

"Commitment" shall have the meaning given to said term in the Credit Agreement.

"Credit Agreement" shall mean the revolving credit agreement approved and authorized to be entered into by **Section 2.14** hereof, as from time to time amended or supplemented, or

other liquidity or credit facility provided in lieu thereof in accordance with the provisions of **Section 4.03(a)** hereof.

"Dealer" shall have the meaning given said term in **Section 3.04** hereof.

"Dealer Agreement" shall mean the agreement with the Dealer approved and authorized to be entered into by **Section 3.04** hereof, and any amendment or supplement thereto.

"Designated Office" shall mean the corporate trust office of the Issuing and Paying Agent where Commercial Paper Notes must be presented and delivered for receipt of payment of the principal amount thereof.

"DTC" shall mean The Depository Trust Company, New York, New York, or any substitute securities depository appointed pursuant to this Ordinance, or any nominee thereof.

"DTC Participant" shall mean a member of, or the participant in, DTC that will act on behalf of a Holder.

"Eligible Investments" shall mean any or all of the authorized investments described in the Public Funds Investment Act of 1987, Chapter 2256, Texas Government Code, which the City may purchase and sell and in which it may invest its funds and funds under its control, consistent with the terms of the City's investment policy.

"Eligible Project" shall mean the acquisition or construction of improvements, additions or extensions to the System, including capital assets and facilities incident and related to the operation, maintenance and administration thereof, all as provided in the Act or Chapter 1502, Texas Government Code.

"Fiscal Year" shall mean any consecutive twelve-month period declared by the City as its fiscal year, which currently runs from October 1 through September 30.

"Gross Revenues" and "Gross Revenues of the System" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any fund or account created by the Prior Lien Bond Ordinance, or maintained by the City in connection with the System, other than revenues to be rebated to the United States of America pursuant to section 148 of the Code.

"Holder" or "Noteholder" shall mean any person, firm, association, or corporation who is in possession of any Note drawn, issued or endorsed to such person, firm, association or corporation or to the order of such person, firm, association or corporation or to bearer or in blank.

"Issuing and Paying Agent", "Paying Agent/Registrar" or "Registrar" shall mean the agent the appointment of which is confirmed pursuant to **Section 2.02** hereof, or any successor to such agent.

"Issuing and Paying Agent Agreement" shall mean the agreement with the Issuing and Paying Agent approved and authorized to be entered into by **Section 3.03** hereof, and any amendment or supplement thereto.

"Liquidity Provider" shall mean the Bank, or any subsequent or succeeding party thereto under the terms of the Credit Agreement.

"Liquidity Provider Note" shall mean, collectively, the promissory note or notes issued pursuant to the provisions of this Ordinance and the Credit Agreement in evidence of Loans made under the Credit Agreement, having the terms and characteristics contained therein and issued in accordance with the terms thereof.

"Loan" shall mean a Revolving Loan or a Term Loan made under and subject to the conditions set forth in the Credit Agreement.

"Master Note" shall mean the "Master Note" as defined in **Section 2.02** hereof.

"Maximum Interest Rate" shall mean 10%.

"Maximum Maturity Date" shall mean September 30, 2034.

"Net Revenues" and "Net Revenues of the System" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of the appropriate resolution, as are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Prior Lien Bonds, shall be deducted in determining "Net Revenues". Payments made by the City for water supply or treatment of sewage which constitute under the law an operation and maintenance expense shall be considered herein as expenses incurred in the operation and maintenance of the System. Depreciation and any payments to the City in lieu of ad valorem taxes and any other similar payments shall never be considered as an expense of operation and maintenance.

"Note" or "Notes" shall mean the evidences of indebtedness authorized to be issued and at any time Outstanding pursuant to this Ordinance and shall include Commercial Paper Notes (including the Master Note), notes in such other form or forms as shall be approved by the City

Council in an ordinance amending this Ordinance, and any Liquidity Provider Note, as appropriate.

"Offering Memorandum" shall mean the Offering Memorandum prepared by the City , for use by the Dealer in connection with the issuance and sale from time to time of the Commercial Paper Notes.

"Outstanding" means when used with respect to the Commercial Paper Notes, as of the date of determination, all Commercial Paper Notes theretofore delivered under this Ordinance, except:

- (1) Commercial Paper Notes theretofore canceled and delivered to the City or delivered to the Issuing and Paying Agent for cancellation;
- (2) Commercial Paper Notes deemed paid pursuant to the provisions of Chapter 1207, Texas Government Code; and
- (3) Commercial Paper Notes upon transfer, or in exchange for or in lieu, of which other Commercial Paper Notes have been authenticated and delivered pursuant to this Ordinance;

provided, that in determining whether the Holders of the requisite principal amount of Outstanding Commercial Paper Notes have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, any Commercial Paper Note owned by the City shall be deemed to be Outstanding as though it was owned by any other Holder.

"Outstanding Prior Lien Bonds" shall mean the Series 2006 Bonds, the Series 2007 Bonds, the Series 2008 Bonds, the Series 2009A Bonds, the Series 2009B Bonds, the Series 2009C Bonds, the Series 2010 Bonds, the Series 2011 Bonds, the Series 2012A Bonds, the Series 2012B Bonds and the Series 2013 Bonds.

"Pledged Revenues" shall mean

- (1) the Net Revenues, plus
- (2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Prior Lien Bonds.

"Prior Lien Bond Ordinance" shall mean, collectively, the ordinance authorizing the issuance of the Series 1981 Bonds and the ordinances authorizing the issuance of Prior Lien Bonds on a parity with the Series 1981 Bonds.

"Prior Lien Bonds" shall mean, collectively, the Outstanding Prior Lien Bonds and any bonds issued on parity therewith.

"Project Costs" shall mean all costs and expenses incurred in relation to Eligible Projects, including, without limitation, design, planning, engineering and legal costs, acquisition costs of land, interests in land, rights-of-way and easements, construction costs, costs of machinery, equipment, and other capital assets incident and related to the operation, maintenance, and administration of an Eligible Project, financing costs, including interest during construction and thereafter, underwriter's discount and/or fees for legal, financial, and other professional services, and reimbursement for such Project Costs attributable to Eligible Projects incurred prior to the issuance of any Commercial Paper Notes.

"Registration Books" shall mean the "Registration Books" as defined in **Section 2.02** hereof.

"Regulations" shall mean the regulations of the U.S. Department of the Treasury promulgated under the Code or, if applicable, the Internal Revenue Code of 1954.

"Revolving Loan" shall have the meaning given said term in the Credit Agreement.

"Rule" shall have the meaning given said term in **Section 4.11** hereof.

"Series B Commercial Paper Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Series C Commercial Paper Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Series D Commercial Paper Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Series D Credit Agreement" shall have the meaning given said term in the preamble to this Ordinance.

"Series E Note Construction Account" shall mean the account so designated in **Section 2.11** hereof.

"Series E Note Payment Fund" shall mean the fund so designated in **Section 2.09** hereof.

"Series 1981 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981, dated April 1, 1981, and authorized by ordinance of the City passed April 1, 1981; the term "Series 2006 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2006, dated

April 1, 2006, and authorized by ordinance of the City passed April 12, 2006; the term "Series 2007 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2007, dated March 15, 2007, and authorized by ordinance of the City passed March 21, 2007; the term "Series 2008 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2008, dated May 15, 2008, and authorized by ordinance of the City passed May 28, 2008; the term "Series 2009A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009A, dated February 1, 2009, and authorized by ordinance of the City passed February 11, 2009; the term "Series 2009B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009B, dated February 1, 2009, and authorized by ordinance of the City passed February 11, 2009; the term "Series 2009C Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2009C, dated February 1, 2009, and authorized by ordinance of the City passed February 11, 2009; the term "Series 2010 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2010, dated June 15, 2010, and authorized by ordinance of the City passed June 9, 2010; the term "Series 2011 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2011, dated July 26, 2011, and authorized by ordinance of the City passed June 23, 2011; the term "Series 2012A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2012A, dated September 19, 2012, and authorized by ordinance of the City passed August 8, 2012; the term "Series 2012B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Taxable Series 2012B, dated September 19, 2012, and authorized by ordinance of the City passed August 8, 2012; and the term "Series 2013 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2013, dated September 17, 2013, and authorized by ordinance of the City passed August 14, 2013.

"State Street Bank" shall have the meaning given said term in the preamble to this Ordinance.

"State Street Bank Note" shall mean the bank note issued by the City to State Street Bank in accordance with the terms of the Series D Credit Agreement.

"Subordinated Obligations" shall mean any bonds, notes, or other obligations issued or contractual obligations incurred pursuant to law payable in whole or in part from the Pledged Revenues and subordinate to the Prior Lien Bonds, the CalSTRS Note, the State Street Bank Note and the Liquidity Provider Note.

"System" shall mean and include the City's combined existing waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds", which

are hereby defined as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds".

"Term Loan" shall have the meaning given said term in the Credit Agreement.

Section 1.02. Construction of Terms Utilized in this Ordinance. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders. For all purposes of this Ordinance, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Certain terms not defined herein shall have the meaning given said terms in the Credit Agreement.

ARTICLE II

AUTHORIZATION OF NOTES

Section 2.01. General Authorization. Pursuant to authority conferred by and in accordance with the provisions of the Constitution and laws of the State of Texas, particularly the Act, Commercial Paper Notes shall be and are hereby authorized to be issued in an aggregate principal amount not to exceed **THREE HUNDRED MILLION DOLLARS (\$300,000,000)** at any one time Outstanding for the purpose of financing Project Costs of Eligible Projects and to refinance, renew or refund Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, all in accordance with and subject to the terms, conditions, and limitations contained herein. In connection with the issuance of Commercial Paper Notes, a Liquidity Provider Note is hereby authorized to be issued and shall initially be issued in the initial aggregate principal amount of **THREE HUNDRED TWENTY TWO MILLION ONE HUNDRED NINETY ONE THOUSAND SEVEN HUNDRED EIGHTY DOLLARS AND EIGHTY TWO CENTS (\$322,191,780.82)**, reflecting the maximum principal amount of Commercial Paper Notes that may be issued plus interest thereon, calculated on the basis of a 365-day year, for two hundred seventy (270) days at the Maximum Interest Rate, for the purpose of evidencing Loans to retire Commercial Paper Notes; all in accordance with and subject to the terms, conditions and limitations contained herein and, with respect to the Liquidity Provider Note, the Credit Agreement. For purposes of this **Section 2.01**, any portion of Outstanding Notes to be paid from money on deposit in the

Series E Note Payment Fund held by the Issuing and Paying Agent on the day of calculation and from the available proceeds of Notes, Prior Lien Bonds or Subordinated Obligations or other obligations of the City issued on the day of calculation shall not be considered Outstanding. The authority to issue Commercial Paper Notes from time to time under the provisions of this Ordinance shall exist until the Maximum Maturity Date, regardless of whether prior to the Maximum Maturity Date there are at any time no Commercial Paper Notes Outstanding. Anything to the contrary herein notwithstanding, Commercial Paper Notes may not be issued to refinance or refund Prior Lien Bonds without the prior approval of the City Council.

Anything in this Ordinance to the contrary notwithstanding, in connection with the refinancing or refunding of Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, such Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System shall qualify as "obligations", as such term is defined in the Act at the time any such refinancing or refunding occurs. Further, any such refunding or refinancing, other than a simultaneous refunding, of Notes, Prior Lien Bonds, Subordinated Obligations and other obligations of the System, to the extent then required by applicable law, shall be by means of a gross defeasance established at the time of the issuance of the refunding Commercial Paper Notes, and the selection of Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System to be so refunded or refinanced shall be made in the manner as determined by the City Council.

Section 2.02. Terms Applicable to Notes - General. Subject to the limitations contained herein, Commercial Paper Notes herein authorized shall be dated as of their date of issuance or prior thereto, but within thirty (30) days of the date of issuance (the "Note Date"), as determined by an Authorized Representative; shall bear interest at such fixed rate or rates per annum computed on the basis of actual days elapsed and a 365-day or 366-day year, as may be applicable (but in no event in any case to exceed the Maximum Interest Rate) as may be determined by an Authorized Representative and all Commercial Paper Notes authorized herein shall mature on or prior to the Maximum Maturity Date.

Subject to the Maximum Interest Rate limitation, Commercial Paper Notes authorized to be issued hereunder without a fixed numerical rate of interest for the term thereof shall bear interest in accordance with any clearly stated formula or method of calculation as determined by an Authorized Representative and such formula or method of calculation shall be set forth in the Commercial Paper Note.

Subject to applicable terms, limitations and procedures contained herein, Commercial Paper Notes may be sold in such manner at public or private sale and at par or at such discount (within the interest rate restrictions provided herein) as an Authorized Representative shall approve at the time of the sale thereof.

U.S. Bank National Association, New York, New York, is hereby selected and appointed to serve as Issuing and Paying Agent, Paying Agent/Registrar and Registrar for the Commercial Paper Notes, and the City covenants and agrees to keep and maintain with the Registrar at its Designated Office books and records (the "Registration Books") for the registration, payment,

transfer and exchange of the Commercial Paper Notes, all as provided herein and in such reasonable rules and regulations as the Registrar may prescribe. The City covenants to maintain and provide a Registrar at all times while the Commercial Paper Notes are Outstanding, which shall be a national or state banking association or corporation or trust company organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. Should a change in the Paying Agent/Registrar for the Commercial Paper Notes occur, the City agrees to promptly cause a written notice thereof to be (i) sent to each registered owner of the Commercial Paper Notes then Outstanding by United States mail, first-class postage prepaid, and (ii) published in a financial newspaper or journal of general circulation in The City of New York, New York, once during each calendar week for at least two calendar weeks; provided, however, the publication of such notice shall not be required if notice is sent to each Holder of the Commercial Paper Notes. Such notice shall give the address of the successor Paying Agent/Registrar. A successor Paying Agent/Registrar may be appointed by the City without the consent of the Holders.

The Commercial Paper Notes shall be issued in registered form, without coupons; provided, however, Commercial Paper Notes may be registered to bearer. The principal of and interest on the Commercial Paper Notes shall be payable in lawful money of the United States of America, without exchange or collection charges to the Holder of the Commercial Paper Note; the principal thereof to be payable upon presentation and surrender of the Commercial Paper Note at the Designated Office of the Issuing and Paying Agent and interest thereon to be payable to the registered owner thereof (when registered other than to bearer) either (i) by check sent by United States mail, first-class postage prepaid, to the address of the registered owner appearing on the Registration Books of the City maintained by the Registrar or (ii) by such other method, acceptable to the Issuing and Paying Agent, requested by the Holder, but interest on a Commercial Paper Note registered to bearer shall be payable only upon presentation of the Commercial Paper Note at the Designated Office of the Issuing and Paying Agent.

A copy of the Registration Books and any change thereto shall be provided to the City by the Paying Agent/Registrar, by means of telecommunications equipment or such other means as may be mutually agreeable thereto, within two Business Days of the opening of such Registration Books or any change therein, as the case may be.

The City and the Paying Agent/Registrar may treat the bearer (in the case of Commercial Paper Notes so registered) or the registered payee thereof as the absolute owner of any Commercial Paper Note for the purpose of receiving payment thereof and for all purposes, and the City and the Paying Agent/Registrar shall not be affected by any notice or knowledge to the contrary.

If an Authorized Representative determines that it is possible and desirable to provide for a book-entry only system of Commercial Paper Note registration with DTC, such Authorized Representative, acting for and on behalf of the City, is hereby authorized to approve, execute, and deliver a Letter of Representations to DTC and to enter into such other agreements and execute such instruments as are necessary to implement such book-entry only system, such approval to be conclusively evidenced by the execution thereof by said Authorized

Representative. Under the initial book-entry only system with DTC, no physical Commercial Paper Note certificates will be delivered to DTC. The execution and delivery to the Issuing and Paying Agent, as custodian for DTC, of a master note (the "Master Note") with respect to the Commercial Paper Notes, is hereby authorized and approved. Except as provided herein, the ownership of the Commercial Paper Notes shall be registered in the name of Cede & Co., as nominee of DTC, which will serve as the initial securities depository for the Commercial Paper Notes. Ownership of beneficial interests in the Commercial Paper Notes shall be shown by book-entry on the system maintained and operated by DTC and DTC Participants, and transfers of ownership of beneficial interests shall be made only by DTC and the DTC Participants by book-entry, and the City and the Issuing and Paying Agent shall have no responsibility therefor. DTC will be required to maintain records of the positions of the DTC Participants in the Commercial Paper Notes, and the DTC Participants and persons acting through the DTC Participants will be required to maintain records of the purchasers of beneficial interests in the Commercial Paper Notes. During any period when a book-entry only system is in effect, except as provided above in this paragraph, the Commercial Paper Notes shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository.

With respect to Commercial Paper Notes registered in the name of DTC or its nominee, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation to any DTC Participant or to any person on whose behalf a DTC Participant holds an interest in the Commercial Paper Notes. Without limiting the immediately preceding sentence, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or any DTC Participant with respect to any ownership interest in the Commercial Paper Notes, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown on the Registration Books, of any notice with respect to the Commercial Paper Notes, and (iii) the payment to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown in the Registration Books, of any amount with respect to principal of or interest on the Commercial Paper Notes.

Whenever, during the term of the Commercial Paper Notes, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, registering, delivering, exchanging, or transferring the Commercial Paper Notes shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to holding, registering, delivering, exchanging, or transferring the book-entry to produce the same effect.

The City or DTC each may determine to discontinue the book-entry only system and in such case, unless a new book-entry only system is put in place, physical certificates in the form set forth in **Section 2.05** shall be provided to the beneficial owners thereof.

If at any time, DTC ceases to hold the Commercial Paper Notes, all references herein to DTC shall be of no further force or effect.

Whenever the beneficial ownership of the Commercial Paper Notes is determined by a book-entry at DTC, delivery of Commercial Paper Notes for payment at maturity shall be made pursuant to DTC's payment procedures as are in effect from time to time and the DTC Participants shall transmit payment to beneficial owners whose Commercial Paper Notes have matured. The City and each of the Issuing and Paying Agent, the Liquidity Provider and the Dealer are not responsible for transfer of payment to the DTC Participants or beneficial owners.

Section 2.03. Commercial Paper Notes. Under and pursuant to the authority granted hereby and subject to the limitations contained herein, Commercial Paper Notes to be designated "**City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E**" are hereby authorized to be issued and sold and delivered from time to time in such principal amounts as determined by an Authorized Representative in denominations of \$100,000 or in integral multiples of \$1,000 in excess thereof, numbered in ascending consecutive numerical order in the order of their issuance and to mature and become due and payable on such dates as an Authorized Representative shall determine at the time of sale; provided, however, that no Commercial Paper Note shall (i) mature after the Maximum Maturity Date, (ii) have a term in excess of two hundred seventy (270) calendar days or (iii) be issued in a manner that would cause the City to violate the covenants set forth in **Section 4.01** hereof.

Interest, if any, on Commercial Paper Notes shall be payable at maturity with principal.

Section 2.04. Liquidity Provider Note. Under and pursuant to authority granted hereby and subject to the limitations contained herein and in the Credit Agreement, a promissory note to be designated the "Liquidity Provider Note", as herein provided, are hereby authorized and approved in accordance with the terms of this Ordinance, the Credit Agreement and the form thereof set forth in the Credit Agreement.

Section 2.05. Form of Commercial Paper Notes. The Commercial Paper Notes and the Certificate of Authentication to appear on each of the Commercial Paper Notes 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 Ordinance and 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) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Representative. Any portion of the text of any Commercial Paper Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Commercial Paper Notes. The form of Commercial Paper Note may be revised to reflect the City exercising the authority reserved in **Section 4.03(b)** hereof to provide that a Commercial Paper Note may not be supported by a liquidity and/or credit facility.

The Commercial Paper Notes shall be printed, lithographed, or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Representative.

Form of Commercial Paper Note:

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF DALLAS, TEXAS
WATERWORKS AND SEWER SYSTEM
COMMERCIAL PAPER NOTE,
SERIES E

No.:	_____	Note Date:	_____
Principal Amount:	_____	Maturity Date:	_____
Interest to Maturity:	_____	Number of Days:	_____
Due at Maturity:	_____	Interest Rate (%):	_____

Owner: _____

The City of Dallas (the "City"), in Dallas, Denton, Collin and Rockwall Counties, State of Texas, FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter identified and as hereinafter stated, to the order of the party specified above on the maturity date specified above, the principal sum specified above and to pay interest, if any, on said principal amount at said maturity date, from the above specified note date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable); both principal and interest on this Note being payable in lawful money of the United States of America at the designated corporate trust office of the Issuing and Paying Agent executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor. No interest will accrue on the principal amount hereof after said maturity date. Defined terms used herein shall have the same meaning given to said terms in the hereinafter defined Ordinance, unless the context of the use of such term indicates otherwise. The interest rate borne by this Note shall not exceed the Maximum Interest Rate.

This Note is one of an issue of Commercial Paper Notes which, together with other forms of short term obligations, including the below referenced Liquidity Provider Note, has been duly authorized and issued in accordance with the provisions of an ordinance (the "Ordinance") passed by the City Council of the City for the purpose of financing Project Costs of Eligible Projects for the System; to refund obligations issued in connection with an Eligible Project; and to refinance, renew or refund Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, in accordance with the provisions of the Ordinance; all in accordance and in strict conformity with the provisions of the Act.

This Commercial Paper Note, together with the other Commercial Paper Notes, is payable from and equally secured by a lien on and pledge of (i) the proceeds from (a) the sale of other Commercial Paper Notes issued for such purpose and (b) the sale of a series or issue of Prior Lien Bonds or Subordinated Obligations to be issued by the City for such purpose, (ii) loans made under and pursuant to the Credit Agreement between the City and the Liquidity Provider pursuant to which the Liquidity Provider has agreed to provide liquidity to the City for the Commercial Paper Notes, which loans are to be evidenced by a Liquidity Provider Note, and (iii) amounts in certain funds and accounts established pursuant to the Ordinance.

This Commercial Paper Note, together with the other Commercial Paper Notes, is payable solely from the sources hereinabove identified securing the payment thereof, and the Commercial Paper Notes do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of the City or the System. The holder hereof shall never have the right to demand payment of this obligation from any sources or properties of the City except as identified above.

It is hereby certified and recited that all acts, conditions and things required by law and the Ordinance to exist, to have happened and to have been performed precedent to and in the issuance of this Commercial Paper Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the issuance of this Commercial Paper Note, together with all other Commercial Paper Notes, is not in excess of the principal amount of Commercial Paper Notes permitted to be issued under the Ordinance.

This Commercial Paper Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Commercial Paper Note shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Commercial Paper Note shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Note to be signed with the imprinted facsimile signature of the City Manager and attested by the facsimile signature of the City Secretary.

City Secretary, City of Dallas

City Manager, City of Dallas

(SEAL)

ISSUING AND PAYING AGENT'S
CERTIFICATE OF AUTHENTICATION

This Commercial Paper Note is one of the Commercial Paper Notes delivered pursuant to the within mentioned Ordinance.

_____,
as Issuing and Paying Agent

By: _____
Authorized Signatory

If Commercial Paper Notes are issued in book-entry only form pursuant to **Section 2.02**, they shall be issued in the form of the Master Note approved by the City Council pursuant to this Ordinance, to which there shall be attached the form of Commercial Paper Note as prescribed above, and it is hereby declared that the provisions of the Commercial Paper Note as prescribed above are incorporated into and shall be a part of the Master Note. It is further provided that this Ordinance and the form of Commercial Paper Note prescribed above shall constitute the "underlying records" referred to in the Master Note. Notwithstanding the provisions of **Section 2.06**, the Master Note may be executed on behalf of the City with the manual signature of the City Manager or the Chief Financial Officer of the City.

Section 2.06. Execution - Authentication. Under authority granted by Section 1371.055, Texas Government Code, the Commercial Paper Notes shall be executed on behalf of the City by the City Manager, and attested by the City Secretary under its seal reproduced or impressed thereon, all as provided in **Section 2.05** hereof. The signatures of said officers on the Commercial Paper Notes may be manual or facsimile. Commercial Paper Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of passage of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery of Commercial Paper Notes authorized to be issued hereunder or at the time Commercial Paper Notes are delivered in subsequent sales, exchanges and transfers, all as authorized and provided in Section 1371.055 and Chapter 1206, Texas Government Code.

No Commercial Paper Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Commercial Paper Note a certificate of authentication executed by the Paying Agent/Registrar by manual signature, or, in the case of the Master Note, the Paying Agent/Registrar has executed the Master Note, and the

execution of any Commercial Paper Note by the Paying Agent/Registrar shall be conclusive evidence, and the only evidence, that such Commercial Paper Note has been duly certified or registered and delivered.

Section 2.07. Notes Mutilated, Lost, Destroyed or Stolen. If any Note shall become mutilated, the City, at the expense of the Holder of said Note, shall execute and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the City of the Note so mutilated. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the City, at the expense of the owner, shall execute and deliver a new Note of like tenor in lieu of and in substitution for the Note so lost, destroyed or stolen. Neither the City nor the Paying Agent/Registrar shall be required to treat both the original Note and any duplicate Note as being Outstanding for the purpose of determining the principal amount of Notes which may be issued hereunder, but both the original and the duplicate Note shall be treated as one and the same.

Section 2.08. Negotiability, Registration and Exchangeability. The obligations issued hereunder shall be, and shall have all of the qualities and incidents of, a negotiable instrument under the laws of the State of Texas, and each successive holder, in accepting any of the obligations, shall be conclusively deemed to have agreed that such obligations shall be and have all of the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

The Registration Books relating to the registration, payment and transfer or exchange of the Commercial Paper Notes shall at all times be kept and maintained by the City at the Designated Office of the Registrar, and the Registrar shall obtain, record and maintain in the Registration Books the name and address of each registered owner of the Commercial Paper Notes, except for Commercial Paper Notes registered to bearer, issued under and pursuant to the provisions of this Ordinance, and the Registrar further shall provide such information to the City as described in **Section 2.02** hereof. Any Commercial Paper Note may, in accordance with its terms and the terms hereof, be transferred or exchanged for Commercial Paper Notes of like tenor and character and of other authorized denominations upon the Registration Books by the Holder in person or by the duly authorized agent thereof, upon surrender of such Commercial Paper Note to the Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by the duly authorized agent thereof, in form satisfactory to the Registrar.

Upon surrender for transfer of any Commercial Paper Note at the Designated Office of the Registrar, the Registrar shall register and deliver, in the name of the designated transferee or transferees (or to bearer, as appropriate), one or more new Commercial Paper Notes executed on behalf of, and furnished by, the City of like tenor and character and of authorized denominations and having the same maturity, bearing interest at the same rate or rates and of a like aggregate principal amount as the Commercial Paper Note or Commercial Paper Notes surrendered for transfer.

Furthermore, Commercial Paper Notes may be exchanged for other Commercial Paper Notes of like tenor and character and of authorized denominations and having the same maturity, bearing the same rate or rates of interest and of like aggregate principal amount as the Commercial Paper Notes surrendered for exchange, upon surrender of the Commercial Paper Notes to be exchanged at the Designated Office of the Registrar. Whenever any Commercial Paper Notes are so surrendered for exchange, the Registrar shall register and deliver new Commercial Paper Notes of like tenor and character as the Commercial Paper Notes exchanged, executed on behalf of, and furnished by, the City to the Holder requesting the exchange.

The City and the Registrar may charge the Noteholder a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer. The Registrar or the City may also require payment from the Holder of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Commercial Paper Note shall be delivered.

New Commercial Paper Notes delivered upon any transfer or exchange shall be valid obligations of the City, evidencing the same debt as the Commercial Paper Notes surrendered, shall be secured by this Ordinance and shall be entitled to all of the security and benefits hereof to the same extent as the Commercial Paper Notes surrendered.

The City reserves the right to change the above registration and transferability provisions of the Commercial Paper Notes at any time on or prior to the delivery thereof in order to comply with applicable laws and regulations of the United States in effect at the time of issuance thereof.

Section 2.09. Series E Note Payment Fund. The City Council hereby creates and establishes with the Issuing and Paying Agent a separate and special fund to be designated as the "**City of Dallas, Texas Waterworks and Sewer System Series E Note Payment Interest and Sinking Fund**" (the "Series E Note Payment Fund"). Moneys on deposit in the Series E Note Payment Fund shall be used to pay principal of and interest on Commercial Paper Notes at the respective interest payment and maturity dates of each issue thereof as provided herein and the repayment of any Loans made pursuant to the Credit Agreement (evidenced by the Liquidity Provider Note). Amounts remaining in the Series E Note Payment Fund not then necessary for the purposes thereof may be transferred to the Series E Note Construction Account (created pursuant to **Section 2.11** hereof) upon request of an Authorized Representative.

Additionally all proceeds of Loans shall be deposited into the Series E Note Payment Fund and used to pay the principal of and interest on the Commercial Paper Notes.

The Issuing and Paying Agent shall not have a lien on the Series E Note Payment Fund.

Pending the expenditure of moneys in the Series E Note Payment Fund for authorized purposes, moneys deposited therein may be invested at the direction of the Chief Financial Officer of the City or the designee thereof in Eligible Investments; provided, that moneys

received from a Liquidity Provider and moneys received in connection with a rollover of Commercial Paper Notes shall remain uninvested. Any income received from such investments shall be credited to the Revenue Fund, as established in the Prior Lien Bond Ordinance, and shall not, for purposes of this Ordinance, be considered an amount held in the Series E Note Payment Fund.

Section 2.10. Pledge; Payments. The Notes are obligations of the City payable from and secured solely by the funds pledged therefor pursuant to this Ordinance. The City agrees to make payments into the Series E Note Payment Fund at such times and in such amounts as are necessary to provide for the full payment of the principal of and the interest on the Notes when due.

To provide security for the payment of the principal of and interest on the Notes and any other amounts due under the Credit Agreement as the same shall become due and payable, there is hereby granted a lien on and pledge of, subject only to the provisions of this Ordinance permitting the application thereof for purposes and on the terms and conditions set forth herein, (i) the proceeds from (a) the sale of Prior Lien Bonds or Subordinated Obligations issued for such purpose and (b) the sale of other Notes issued pursuant to this Ordinance for such purpose, (ii) Loans, (iii) the amounts held in the Series E Note Payment Fund until the amounts deposited therein are used for authorized purposes (provided, however, amounts in the Series E Note Payment Fund attributable to and derived from Loans shall be used only to pay, prior to any application to the payment of the Liquidity Provider Note, the principal of and interest on the Commercial Paper Notes in full), and (iv) the amounts remaining on deposit in the Series E Note Construction Account after the payment of all Project Costs, and it is hereby declared that the principal of and interest on the Notes and any other amounts due under the Credit Agreement shall be and are hereby equally and ratably secured by and payable from a lien on and pledge of the sources hereinabove identified in clauses (i), (ii), (iii) and (iv) subject and subordinate only to the exceptions noted therein.

Additionally, to provide security for the payment of the principal of and interest on each Liquidity Provider Note and other amounts due under the Credit Agreement as the same shall become due and payable, there is hereby granted to the Liquidity Provider a lien on and pledge of the Pledged Revenues, subject only to the provisions of this Ordinance permitting the application thereof for purposes and on the terms and conditions set forth herein, and the provisions of the Series D Credit Agreement, such lien on and pledge of the Pledged Revenues, however, being subordinate only to the lien on and pledge of the Pledged Revenues in support of the Prior Lien Bonds and the debt service and reserve funds relating thereto. As provided in the Credit Agreement, the lien on and pledge of the Pledged Revenues in support of the Liquidity Provider Note shall be on parity with the lien on and pledge of the Pledged Revenues in support of the CalSTRS Note and the State Street Bank Note.

Unless the Liquidity Provider Note is paid from the proceeds of Commercial Paper Notes, or Prior Lien Bonds or Subordinated Obligations issued for such purpose, or amounts available in the Series E Note Payment Fund or the Series E Note Construction Account, all as

described above, such payments are to be made from Pledged Revenues on deposit in the "Liquidity Provider Note Account" in accordance with **Section 4.02** hereof.

Section 2.11. Series E Note Construction Account. The City Council hereby creates and establishes a separate account hereby designated as the "**City of Dallas, Texas Waterworks and Sewer System Series E Note Construction Account**" (the "Series E Note Construction Account"). The Series E Note Construction Account shall be held by the City with the City's depository bank, currently Bank of America, N.A. The City shall account for moneys deposited into the Series E Note Construction Account from Commercial Paper Notes issued. Moneys deposited in the Series E Note Construction Account shall remain therein until from time to time expended to pay for Project Costs, and to refund Notes issued in connection with Eligible Projects and shall not be used for any other purposes whatsoever, except as otherwise provided below, and pending such expenditure, moneys therein may be invested at the direction of the Chief Financial Officer of the City or the designee thereof in Eligible Investments. Any income received from such investments (except as otherwise required to be rebated to the United States of America in accordance with the provisions of **Section 4.06** hereof) shall be deposited, as received, into the Revenue Fund established by the Prior Lien Bond Ordinance and shall not, for purposes of this Ordinance, be considered an amount held in the Series E Note Construction Account.

Any amounts on deposit in the Series E Note Construction Account designated by an Authorized Representative as eligible to pay interest during construction and up to one year after construction is completed may be transferred from time to time at the direction of an Authorized Representative to the credit of the Series E Note Payment Fund from which proceeds of Commercial Paper Notes were deposited to the Series E Note Construction Account, for use in accordance with the terms of **Section 2.09** hereof. Any amounts remaining in the Series E Note Construction Account after the payment of all Project Costs shall be paid into the Series E Note Payment Fund and used for the payment of such maturities of the Commercial Paper Notes coming due at such times as may be selected by an Authorized Representative or for the payment of the Liquidity Provider Note, as the case may be. In the event no Commercial Paper Notes are Outstanding and there are no outstanding Loans, any amounts in the Series E Note Construction Account not anticipated to be needed to pay Project Costs shall be transferred to the Debt Service Fund established by the Prior Lien Bond Ordinance.

Section 2.12. Cancellation. All Commercial Paper Notes which at maturity are surrendered to the Paying Agent/Registrar for the collection of the principal and interest thereof or are surrendered for transfer or exchange pursuant to the provisions hereof shall, upon payment or issuance of new Commercial Paper Notes, be cancelled by the Paying Agent/Registrar, and the Paying Agent/Registrar forthwith shall transmit to the City a certificate identifying such Commercial Paper Notes and that such Commercial Paper Notes have been duly cancelled and destroyed.

Section 2.13. Fiscal and Other Agents. In furtherance of the purposes of this Ordinance, the City may from time to time appoint and provide for the payment of such additional fiscal,

paying or other agents or trustees as it may deem necessary or appropriate in connection with the Notes.

Section 2.14. Credit Agreement. The Credit Agreement, substantially in the form attached hereto as **Exhibit A**, is hereby approved, and shall be entered into with the Liquidity Provider. The Liquidity Provider Notes, substantially in the form contained in the Credit Agreement, are approved with the interest rate payable thereon to be determined as set forth therein. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Credit Agreement, and any Liquidity Provider Note, and the City Secretary or an Assistant City Attorney is authorized to attest and to place the City seal thereon.

Section 2.15. Funds Secured. Moneys in all funds and accounts established by this Ordinance, to the extent not invested as permitted hereunder, shall be secured in the manner prescribed by law for securing moneys of the City.

Section 2.16. Application of Prior Covenants. The covenants and agreements (to the extent the same are not inconsistent herewith) contained in the Prior Lien Bond Ordinance are hereby incorporated herein by reference and shall be deemed to be for the benefit and protection of each Liquidity Provider Note and the Holder thereof in like manner as applicable to the Prior Lien Bonds; provided, however, in the event of any conflict between the terms, covenants and agreements contained herein and the terms, covenants and agreements contained in the Prior Lien Bond Ordinance, the provisions of the Prior Lien Bond Ordinance shall control over the provisions hereof. Specifically, consistent with the provisions of the Prior Lien Bond Ordinance, if any property or facilities comprising all or a part of a system within the System are sold or exchanged, the acquisition, improvement or extension of such system having not been financed by the City in any manner with the proceeds of Prior Lien Bonds, or with the proceeds of obligations which were refunded in whole or in part with the proceeds of Prior Lien Bonds, then the City may utilize the proceeds of such sale or exchange for any lawful purpose not inconsistent with the City Charter of the City.

ARTICLE III

ISSUANCE AND SALE OF NOTES

Section 3.01. Issuance and Sale of Commercial Paper Notes. (a) Commercial Paper Notes shall be completed and delivered by the Issuing and Paying Agent in accordance with telephonic, electronic or written instructions of the Authorized Representative and in the manner specified below and in the Issuing and Paying Agent Agreement. To the extent such instructions are not written, they shall be confirmed in writing by the Authorized Representative within twenty-four (24) hours. The instructions shall specify the Commercial Paper Notes to be sold and the principal amounts, dates of issue, maturities, rates of discount or interest, or the formula or method of calculating interest and the basis upon which it is to be computed, and other terms

and conditions which are hereby authorized and permitted to be fixed by the Authorized Representative at the time of sale of such Commercial Paper Notes. The instructions shall include the purchase price of such Commercial Paper Notes, and, if such Commercial Paper Notes are not held in accordance with a book-entry only system, a request that the Issuing and Paying Agent authenticate such Commercial Paper Notes by counter signature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes. The rules of the New York Clearinghouse shall apply thereto. The instructions shall also contain provisions representing that all action on the part of the City necessary for the valid issuance of the Commercial Paper Notes then to be issued has been taken, that all provisions of Texas and federal law necessary for the valid issuance of such Commercial Paper Notes with provision for interest exemption from federal income taxation have been complied with, if applicable, and that such Commercial Paper Notes in the hands of the Holders thereof will be valid and enforceable obligations of the City according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that, if applicable, based upon the advice of Bond Counsel, the stated interest on the Commercial Paper Notes is exempt from federal income taxation. The instructions shall also certify that:

(i) no Event of Default under **Section 5.01** hereof has occurred and is continuing as of the date of such instructions and that the Issuing and Paying Agent has not received a Non-Issuance Instruction (as defined in the Credit Agreement);

(ii) the City has been advised by Bond Counsel that the projects to be financed with the proceeds of the Commercial Paper Notes will constitute Eligible Projects or that the obligations to be refunded were issued in connection with Eligible Projects;

(iii) the City is in compliance with the covenants set forth in **Article IV** hereof as of the date of such instructions;

(iv) the City has been advised by Bond Counsel that the proposed expenditure of the proceeds of such Commercial Paper Notes for such projects and the refunding of such Commercial Paper Notes issued for such projects will not cause the City to be in violation of its covenants set forth in **Section 4.06** hereof; and

(v) the sum of the interest payable on such Commercial Paper Note will not exceed a yield (calculated on the principal amount of the Commercial Paper Note on the basis of actual number of days elapsed, and a 365-day or 366-day year, as may be applicable) to the maturity date of such Commercial Paper Note in excess of the Maximum Interest Rate.

(b) The Liquidity Provider Note shall be or has been delivered to the Liquidity Provider, and indebtedness may be incurred thereunder, all in accordance with the terms of the Credit Agreement.

Section 3.02. Proceeds of Sale of Commercial Paper Notes. The proceeds of the sale of any Commercial Paper Notes (net of all expenses and costs of sale and issuance) shall be applied for any or all of the following purposes as directed by an Authorized Representative:

(i) Proceeds to be used for the payment of Prior Lien Bonds or Subordinated Obligations shall be deposited in such fund or account established by the City Council in the proceedings authorizing the use of Commercial Paper Notes to refinance or refund Prior Lien Bonds or Subordinated Obligations;

(ii) Proceeds to be used for the payment of Outstanding Commercial Paper Notes at or before maturity and the repayment of any borrowing (evidenced by the Liquidity Provider Note) or other amounts due under the Credit Agreement shall be retained in the Series E Note Payment Fund, and expended therefor; and

(iii) Proceeds not retained in the Series E Note Payment Fund as provided in subparagraph (ii) above shall be transferred and deposited to the Series E Note Construction Account and used and applied in accordance with the provisions of **Section 2.11** hereof.

Section 3.03. Issuing and Paying Agent Agreement. The Issuing and Paying Agent Agreement, substantially in the form attached hereto as **Exhibit B**, is hereby approved, and shall be entered into with the Issuing and Paying Agent. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Issuing and Paying Agent Agreement, and the City Secretary or an Assistant City Attorney is authorized to attest the execution thereby. Any Authorized Representative is hereby authorized to enter into any supplemental agreement with the Issuing and Paying Agent or with any successor Issuing and Paying Agent in order to implement the functions of the Issuing and Paying Agent or Registrar with respect to the Commercial Paper Notes. Any successor Issuing and Paying Agent shall be a financial institution organized and existing under the laws of the United States of America or the State of Texas and which has trust powers. The successor Issuing and Paying Agent shall have assumed the duties of the Issuing and Paying Agent to be replaced before such Issuing and Paying Agent shall be relieved of the obligation to perform the duties as Issuing and Paying Agent, and the successor Issuing and Paying Agent shall have executed an agreement substantially in the same form and substance as the Issuing and Paying Agent Agreement approved by this Ordinance.

Section 3.04. Dealer Agreement. The selection and appointment of J.P. Morgan Securities LLC as the dealer for the Commercial Paper Notes (the "Dealer") is hereby approved. The Dealer Agreement by and between the City and the Dealer pertaining to the sale, from time to time, of Commercial Paper Notes or the purchase of Commercial Paper Notes from the City, substantially in the form attached hereto as **Exhibit C**, is hereby approved, and shall be entered

into with the Dealer. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Dealer Agreement, and the City Secretary or an Assistant City Attorney is authorized to attest the execution thereby. Any Authorized Representative is hereby authorized to enter into any supplemental agreement with the Dealer or with any successor Dealer in order to implement the functions of the Dealer with respect to the Commercial Paper Notes.

ARTICLE IV

COVENANTS OF THE CITY

Section 4.01. Limitation on Issuance. Unless this Ordinance is amended and modified by the City Council in accordance with the provisions of **Section 6.01** hereof, the City covenants that there will not be issued and Outstanding at any time under this Ordinance more than \$300,000,000 in aggregate principal amount of Commercial Paper Notes. For purposes of this **Section 4.01** any portion of Outstanding Notes to be paid from money on deposit in the Series E Note Payment Fund held by the Issuing and Paying Agent on the day of calculation and from the available proceeds of Notes, Prior Lien Bonds or Subordinated Obligations or other obligations of the City issued on the day of calculation shall not be considered Outstanding. In addition to the foregoing, any improvement or extension to the System to be funded with Commercial Paper Notes must qualify as an Eligible Project, and the City shall not direct the Issuing and Paying Agent to issue Commercial Paper Notes that mature after the Business Day prior to the scheduled date the Credit Agreement expires or terminates in accordance with its terms.

Additionally, for so long as a Credit Agreement is in effect and supports the payment of all or any principal amount of the Commercial Paper Notes, the City covenants and agrees that the total principal amount of all Commercial Paper Notes Outstanding at any one time and the total amount of interest accrued or to accrue thereon shall not exceed the Commitment.

Section 4.02. Liquidity Provider Note Accounts. There is hereby created and there shall be established and maintained a separate account to be known as the "Liquidity Provider Note Account" for the sole benefit of the Liquidity Provider Note within the Series E Note Payment Fund established by this Ordinance. After satisfying the requirements of the Prior Lien Bond Ordinance and any other ordinance with respect to the Prior Lien Bonds, with respect to the payment of principal of, and premium, if any, and interest on the Prior Lien Bonds and funding the reserve fund therefor, there shall be deposited by the City to the Liquidity Provider Note Account the amounts required by **Section 2.10** hereof for the payment of the Liquidity Provider Note.

Section 4.03. Maintenance of Available Credit Facilities Requirement. (a) The City agrees and covenants that at all times up to and including the Maximum Maturity Date, unless the Commercial Paper Notes are no longer Outstanding, or except as otherwise provided by **Section 4.03(b)** hereof, it will maintain credit or liquidity facilities with banks or other financial institutions in amounts such that, assuming that all then Outstanding Commercial Paper Notes

were to become due and payable immediately, the amount available for borrowing under such credit or liquidity facilities would be sufficient at that time to pay principal and interest of all Commercial Paper Notes. Except as otherwise provided by **Section 4.03(b)** hereof, no Commercial Paper Note shall be issued if, after giving effect to the issuance thereof and, if applicable, the immediate application of the proceeds thereof to retire other Commercial Paper Notes secured by the credit or liquidity facility, the aggregate principal amount of all Commercial Paper Notes secured by or payable from the credit or liquidity facility would exceed the amount of the Commitment thereunder. The availability for borrowing of such amounts under such facilities may be subject to reasonable conditions precedent, including, but not limited to, bankruptcy of the City. In furtherance of the foregoing covenant, the City agrees that it will not issue any Commercial Paper Notes or make any borrowing which will result in a violation of such covenant, will not amend the Credit Agreement in a manner which will cause a violation of such covenant and, if and to the extent necessary to maintain compliance with such covenant, will arrange for new liquidity or credit facilities prior to, or contemporaneously with, the expiration of the Credit Agreement. Noteholders will be provided no less than fifteen (15) days notice prior to the effective date of any new liquidity or credit facility. The then existing liquidity or credit facility will remain in effect with respect to Commercial Paper Notes issued and Outstanding prior to the effective date of any new credit or liquidity facility until all such Commercial Paper Notes have been paid in full. Any new liquidity or credit facility shall be effective only with respect to Commercial Paper Notes that are issued on or after the effective date of such new liquidity or credit facility.

(b) The provisions of **Section 4.03(a)** hereof notwithstanding, the City Council may amend this Ordinance, in accordance with the provisions of **Section 6.01** hereof, to provide that Commercial Paper Notes issued under authority of this Ordinance may be issued without support of liquidity and/or credit facilities. To exercise the authority reserved by this **Section 4.03(b)**, the City shall provide written notice to the Dealer, the Issuing and Paying Agent and the Rating Agencies (as defined in the Issuing and Paying Agent Agreement) of the determination of the City Council to amend this Ordinance to permit Commercial Paper Notes authorized to be issued by this Ordinance to be issued without liquidity and/or credit support. Such notice shall be provided no later than ninety (90) days prior to the proposed date the City Council is to consider for adoption an ordinance amending this Ordinance for the purpose described in this **Section 4.03(b)**. The City shall cause written notice to be provided to the Noteholders no less than fifteen (15) days prior to the date the amendatory ordinance permitting Commercial Paper Notes to be issued without liquidity and/or credit facilities is enacted by the City Council. No such amendatory ordinance shall be adopted if, on or before the date the amendatory ordinance is to be considered by the City Council, the ratings to be assigned to such Commercial Paper Notes not being supported by a liquidity and/or credit facility are lower than A-1 or its equivalent. The foregoing notwithstanding, Commercial Paper Notes issued under this Ordinance with liquidity and/or credit facility support shall be retired in full either through the issuance of refunding bonds or with the proceeds of Commercial Paper Notes issued without liquidity and/or credit facilities, and as a result such Commercial Paper Notes issued with liquidity and/or credit facility support thereafter are no longer Outstanding.

Section 4.04. Commercial Paper Notes Issued as Bond Anticipation Notes. The City hereby acknowledges that the Commercial Paper Notes are being issued as bond anticipation notes, and therefore the City in good faith shall endeavor to sell a sufficient principal amount of Prior Lien Bonds or Subordinated Obligations, or a combination thereof, in order to have funds available, together with other moneys available therefor, to pay the Commercial Paper Notes and the interest thereon, or any renewals thereof, as the same shall become due, and to pay amounts due under any Credit Agreement.

Section 4.05. Punctual Payment. The City will punctually pay or cause to be paid the principal of and interest, if any, on the Notes (but only from the sources pledged herein), in conformity with the Notes, this Ordinance and any Credit Agreement.

Section 4.06. Commercial Paper Notes to Remain Tax Exempt. The City covenants to take any action to assure, or refrain from any action which would adversely affect, the treatment of the Commercial Paper Notes as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation if such Commercial Paper Notes are designated by the City as "tax exempt". In furtherance thereof, the City covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on such Commercial Paper Notes, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Commercial Paper Notes or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Commercial Paper Notes (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Commercial Paper Notes being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Commercial Paper Notes being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Commercial Paper Notes, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire "investment property" (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of such Commercial Paper Notes, other than investment property acquired with --

(1) proceeds of such Commercial Paper Notes invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the obligations are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of such Commercial Paper Notes;

(g) to otherwise restrict the use of the proceeds of the Commercial Paper Notes or amounts treated as proceeds of such Commercial Paper Notes, as may be necessary, so that such Commercial Paper Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings);

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Commercial Paper Notes) an amount that is at least equal to 90 percent of the "Excess Earnings", within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Commercial Paper Notes have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and

(i) to timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on such forms, at such places and in such manner as may be prescribed by law.

The City represents and covenants that it will not expend, or permit to be expended, the proceeds of any Commercial Paper Notes in any manner inconsistent with its reasonable expectations as certified in a federal tax certificate to be executed from time to time with respect to the Commercial Paper Notes; provided, however, that the City may expend Commercial Paper Note proceeds in any manner if the City first obtains an unqualified opinion of Bond Counsel

that such expenditure will not impair the exemption from federal income taxation of interest paid on the Commercial Paper Notes. The City represents that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon.

The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Commercial Paper Notes. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the Commercial Paper Notes, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Commercial Paper Notes, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of Bond Counsel, to preserve the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code. In furtherance of such intention, the City Council hereby authorizes and directs the Mayor, the City Manager and the Chief Financial Officer of the City to execute any documents, certificates or reports required by the Code, and to make such elections on behalf of the City which may be permitted by the Code as are consistent with the purpose for the issuance of the Commercial Paper Notes.

In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and the Rebate Fund shall not be subject to the claim of any other person, including without limitation the Noteholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the written procedures adopted by the City Council in the ordinance authorizing the issuance of the Series 2012A Bonds, passed August 8, 2012, apply to the Commercial Paper Notes.

Section 4.07. Allocation of, and Limitation on, Expenditures for Eligible Projects. The City covenants to account for on its books and records the expenditure of proceeds from the sale of the Commercial Paper Notes and any investment earnings thereon to be used for Eligible Projects by allocating proceeds to expenditures within eighteen (18) months of the later of the date that (a) the expenditure on a Eligible Project is made or (b) each Eligible Project is completed. The foregoing notwithstanding, the City shall not expend such proceeds or investment earnings more than sixty (60) days after the later of (a) the fifth anniversary of the date of delivery of such Commercial Paper Notes or (b) the date the Commercial Paper Notes are retired, unless the City obtains an opinion of Bond Counsel substantially to the effect that such

expenditure will not adversely affect the tax-exempt status of such Commercial Paper Notes. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 4.08. Disposition of Eligible Projects. The City covenants that the property constituting an Eligible Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of Bond Counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Commercial Paper Notes. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 4.09. Supplemental Ordinances. Other than as permitted herein with respect to the issuance or incurrence of additional obligations of the City secured by the Pledged Revenues, the City will not adopt any supplemental ordinances with respect to the Pledged Revenues, pursuant to the Prior Lien Bond Ordinance or otherwise, without the written consent of the Liquidity Provider.

Section 4.10. Opinion of Bond Counsel. The City shall cause the legal opinion of Bond Counsel as to the validity of the Commercial Paper Notes and as to the exemption of interest on the Commercial Paper Notes from federal income taxation to be furnished to any Holder without cost. In addition, a copy of said opinion may be printed on each of the Commercial Paper Notes. In addition, in connection with the annual updating of the Offering Memorandum (as provided in accordance with **Section 6.08** hereof) as required by the Dealer Agreement, there shall be provided an annual updated opinion of Bond Counsel, at the cost of the City or the Dealer, as may be requested by either the City or the Dealer.

Section 4.11. Ongoing Continuing Disclosure Covenant. To the extent required by the provisions of Rule 15c2-12, (the "Rule") promulgated by the U.S. Securities and Exchange Commission, the City agrees to enter into an agreement to file financial information and operating data with respect to the Commercial Paper Notes with such entities as are designated pursuant to the terms of the Rule as nationally recognized municipal securities information repositories and the state information depository in Texas. Under the provisions of the Rule, as they exist on the date this Ordinance is adopted, the City is exempted from complying with the undertaking described in the first sentence of this **Section 4.11**, as the Notes are to be issued in the form of Commercial Paper Notes with maturities of no greater than two hundred and seventy (270) days.

Section 4.12. Rates and Charges. The City hereby agrees and reaffirms its covenants to the holders of the Prior Lien Bonds, CalSTRS, as holder of the CalSTRS Note, and State Street

Bank, as holder of the State Street Bank Note, and covenants to the Holders of the Liquidity Provider Notes, that it will at all times maintain rates and charges for the services furnished, provided, and supplied by the System which shall comply with the provisions of the Prior Lien Bond Ordinance, be reasonable and non-discriminatory and produce income and revenues sufficient to pay:

(a) current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service;

(b) the interest on and principal of all Prior Lien Bonds, as and when the same shall become due; and

(c) to the extent the same are reasonably anticipated to be paid with Pledged Revenues, the interest on and principal of each Liquidity Provider Note and other amounts due the Liquidity Provider under the Credit Agreement, as and when the same shall become due; and

(d) to the extent the same are reasonably anticipated to be paid with Pledged Revenues, the interest on and principal of the CalSTRS Note, the interest on and principal of the State Street Bank Note, and other amounts due CalSTRS and State Street Bank under the Series D Credit Agreement, as and when the same shall become due; and

(e) any legal debt or obligation of the System as and when the same shall become due, including any Subordinated Obligations.

Section 4.13. Revenue Fund. Pursuant to **Section 2.16** hereof, the City hereby reaffirms its covenant to the holders of the Prior Lien Bonds, CalSTRS, as holder of the CalSTRS Note, and State Street Bank, as holder of the State Street Bank Note, and hereby covenants with respect to the Holders of the Liquidity Provider Notes, that all Gross Revenues shall be deposited as received in the "City of Dallas, Texas Waterworks and Sewer System Revenue Fund" (hereinafter referred to as the "Revenue Fund"), which shall be kept separate and apart from all other funds of the City. Revenues received for the Revenue Fund shall be deposited from time to time as received in such bank or banks as may be selected by the City in accordance with applicable laws relating to the selection of City depositories.

Section 4.14. Compliance with Prior Lien Bond Ordinance and Other Documents. The City will comply with the terms and provisions of the Prior Lien Bond Ordinance, and any other ordinance (including specifically, but not by way of limitation, the ordinance authorizing the issuance of the Series D Commercial Paper Notes) or contract to which the City is a party, the non-compliance with which would materially adversely affect the ability of the City to make payments on the Notes when due. The City shall make the deposits to and payments from the Revenue Fund when and as required by the Prior Lien Bond Ordinance, and such deposits shall be made in the order and with the priorities set forth in the Prior Lien Bond Ordinance.

Section 4.15. Reservation of Right to Issue or Incur Prior Lien Bonds and Obligations of Inferior Lien. In accordance with **Section 4.09** hereof, the City hereby expressly reserves the right to hereafter issue Prior Lien Bonds in accordance with the provisions of the Prior Lien Bond Ordinance, payable from and secured by a lien on and pledge of the Pledged Revenues prior in right and claim to the lien and pledge securing the payment of the Liquidity Provider Notes. In accordance with **Section 4.09** hereof, the City also retains the right to issue or incur Subordinated Obligations.

Section 4.16. Notice to Rating Agencies. The City shall cause to be provided to the Rating Agencies notice of any proposed amendment to this Ordinance (including, without limitation, an amendment to this Ordinance as described in **Section 4.03(b)** hereof), or the occurrence of the termination or expiration of the Commitment or the substitution of credit or liquidity facilities prior to, or contemporaneously with, the expiration of the Credit Agreement, or any change in the Issuing and Paying Agent or the Dealer, with such notice to be provided in the manner set forth in the Issuing and Paying Agent Agreement.

Section 4.17. Purchase of Commercial Paper Notes by the City. Notwithstanding anything to the contrary contained in this Ordinance, to the extent that the Dealer cannot sell Commercial Paper Notes to renew or refund Outstanding Commercial Paper Notes on their maturity, the City may use funds from sources other than (i) money on deposit in the Series E Note Payment Fund or the Series E Note Construction Account, (ii) the proceeds of Prior Lien Bonds or Subordinated Obligations, or (iii) money on deposit in any debt service fund or reserve fund established for the benefit of the Prior Lien Bonds or Subordinated Obligations, to purchase Commercial Paper Notes issued to renew and refund such maturing Commercial Paper Notes. Such payment, issuance and purchase are not intended to constitute an extinguishment of the obligation represented by such maturing Commercial Paper Notes and the City may issue Commercial Paper Notes to renew and refund the Commercial Paper Notes held by it when the Dealer is again able to sell Commercial Paper Notes. While such Commercial Paper Notes are held by the City they shall bear interest at the rate being earned by the funds used to purchase such Commercial Paper Notes on the date of purchase.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES OF NOTEHOLDERS

Section 5.01. Events of Default. If one or more of the following events shall occur:

- (a) if default shall be made in the due and punctual payment of principal of any Commercial Paper Note when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;
- (b) if the City shall fail to make due and punctual payment of interest on any Commercial Paper Note when and as such interest installment shall become due and payable and such failure shall continue for five (5) Business Days;

(c) if the principal of the Liquidity Provider Note (and interest accrued thereon) shall become due and payable prior to the maturity thereof under the Liquidity Provider Note and the Credit Agreement;

(d) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Ordinance or in the Commercial Paper Notes contained, and such default shall continue for a period of sixty (60) days after written notice thereof; provided, however, if such default cannot be cured within the sixty (60) day period but corrective action to cure such default is commenced and diligently pursued until the default is corrected no such Event of Default shall be deemed to have occurred; or

(e) if there shall occur the dissolution (without a successor being named to assume the rights and obligations) or liquidation of the City or the filing by the City of a voluntary petition in bankruptcy, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of its creditors, or the entry by the City into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for the adjustment of its debts instituted under the provisions of the Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted;

then such event as described above shall constitute an "Event of Default" under this Ordinance.

Section 5.02. Suits at Law or in Equity and Mandamus. In case one or more Events of Default shall occur, then and in every such case the Holder of any Note at the time Outstanding shall be entitled to proceed to protect and enforce such Holder's rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Ordinance, or in aid of the exercise of any power granted in this Ordinance, or to enforce any other legal or equitable right vested in the Holders of Notes by this Ordinance or the Notes or by law. The provisions of this Ordinance shall be a contract with each and every Holder of Notes and the duties of the City shall be enforceable by any Noteholder by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 5.03. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Holders of Notes is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Holder of any one or more of the Notes.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Amendments or Modifications Without Consent of Holders of Notes. This Ordinance and the rights and obligations of the City and of the Holders of Notes may be modified or amended at any time by a supplemental ordinance, without notice to or the consent of any Noteholders, but only to the extent permitted by law, and, subject to the rights of the holders of the Notes, only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City;

(2) to increase the principal amount of Commercial Paper Notes that may be Outstanding at any one time under the terms of this Ordinance, provided that the City satisfies either (i) the requirements of **Section 4.03(a)** hereof in providing liquidity or credit support with respect to the increased principal amount of Commercial Paper Notes authorized to be Outstanding at any one time or (ii) the requirements of **Section 4.03(b)** hereof to issue the increased principal amount of Commercial Paper Notes without liquidity and/or credit support;

(3) to cure any ambiguity or inconsistency, or to cure or correct any defective provision contained in this Ordinance, upon receipt by the City of an approving opinion of Bond Counsel selected by the City, that the same is needed for such purpose, and will more clearly express the intent of this Ordinance;

(4) to effect such changes as are determined by the City Council to be necessary or advisable in connection with exercising the authority reserved to the City in **Section 4.03(b)** hereof; or

(5) to supplement the security for the Notes, replace or provide additional credit facilities, make such changes, modifications or amendments as may be necessary or desirable in order to obtain the approval of this Ordinance by the Attorney General of Texas, as required by **Section 6.09** hereof, or to obtain or maintain the granting of a rating on the Notes by a nationally recognized municipal bond rating agency, or change the form of the Notes, or make such other changes in the provisions hereof as the City may deem necessary or desirable and which shall not materially adversely affect the interests of the Holders of the Notes;

provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Ordinance or of the Commercial Paper Notes so as to:

- (A) Make any change in the maturity of any of the Outstanding Commercial Paper Notes;
- (B) Reduce the rate of interest borne by any of the Outstanding Commercial Paper Notes;
- (C) Reduce the amount of the principal payable on any of the Outstanding Commercial Paper Notes;
- (D) Modify the terms of payment of principal of or interest on the Outstanding Commercial Paper Notes, or impose any conditions with respect to such payment;
- (E) Affect the rights of the Holders of less than all of the Outstanding Commercial Paper Notes; or
- (F) Reduce or restrict the pledge made pursuant to **Section 2.10** hereof for payment of the Commercial Paper Notes;

and provided, further, that no change, modification or amendment shall be made in this Ordinance or become valid and effective (i) without the approval of such change, modification or amendment by the Attorney General of the State of Texas, to the extent required by the Act, and (ii) without the written consent of the Liquidity Provider (which, in the case of an amendment authorizing an increase in the principal amount of Commercial Paper Notes at any one time Outstanding, shall mean the written consent of the Liquidity Provider providing, as of the effective date of the authority to issue additional Commercial Paper Notes in excess of the maximum principal amount of Commercial Paper Notes then authorized by the City Council at any one time to be Outstanding, the liquidity or credit support, if any, required by **Section 4.03(a)** hereof).

Section 6.02. Additional Actions. (a) Any Authorized Representative, the City Secretary, and the other officers of the City, each are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes and otherwise to effectuate the purposes of this Ordinance, the Credit Agreement, the Dealer Agreement, the Issuing and Paying Agent Agreement and the Offering Memorandum. Specifically, by the adoption of this Ordinance, the City Council hereby authorizes the payment of the fees and expenses incurred and to be paid by the City in connection with the issuance, sale and delivery of the Notes and the execution and delivery of the Credit Agreement, the Dealer Agreement and the Issuing and Paying Agent Agreement, including, without limitation, fees of Rating Agencies, as further described in Schedule I attached hereto.

(b) In order for the City Council to be kept informed of the general activities and future needs of the System, the Chief Financial Officer of the City or the designee thereof shall report periodically to the Budget, Finance and Audit Committee duly appointed by the City Council,

but no less frequently than once each calendar quarter, and provide the Budget, Finance and Audit Committee with a summary of recent events relating to the System and actions taken by the City with respect to such events.

Section 6.03. Ordinance to Constitute a Contract; Equal Security. In consideration of the acceptance of the Notes, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Notes and the pledge made in this Ordinance by the City and the covenants and agreements set forth in this Ordinance to be performed by the City shall be for the equal and proportionate benefit, security and protection of all Holders of the Notes, without preference, priority or distinction as to security or otherwise of any of the Notes authorized hereunder over any of the others by reason of time of issuance, sale or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Ordinance or, with respect to the Liquidity Provider Notes, the Credit Agreement.

Section 6.04. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.

Section 6.05. Payment and Performance on Business Days. Whenever under the terms of this Ordinance or the Commercial Paper Notes, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Commercial Paper Notes, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Commercial Paper Notes, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on such day.

Section 6.06. Defeasance. If, when all or any portion of the Commercial Paper Notes shall have become due and payable in accordance with their terms or otherwise as provided in this Ordinance, the entire principal and interest so due and payable upon said Commercial Paper Notes shall be paid, or if at or prior to the date said Commercial Paper Notes have become due and payable, sufficient moneys or direct obligations of, or obligations guaranteed by, the United States of America the principal of and interest on which will provide sufficient moneys for such payment, shall be held in trust by the Issuing and Paying Agent and provision shall also be made for paying all other sums payable hereunder by the City with respect to said Commercial Paper Notes, the pledge herein created with respect to said Commercial Paper Notes shall thereupon cease, terminate and become discharged and said Commercial Paper Notes shall no longer be deemed Outstanding for purposes of this Ordinance and all the provisions of this Ordinance

relating to the Commercial Paper Notes, including all covenants, agreements, liens and pledges made herein for the benefit thereof, shall be deemed duly discharged, satisfied and released.

Section 6.07. Limitation of Benefits with Respect to the Ordinance. With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Ordinance or the Notes is intended or should be construed to confer upon or give to any person other than the City, the Holders of the Notes, the Issuing and Paying Agent and the parties to the Dealer Agreement and the Credit Agreement, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Holders of the Notes, the Issuing and Paying Agent and the parties to the Dealer Agreement and the Credit Agreement as herein and therein provided.

Section 6.08. Use of Offering Memorandum. The use by the Dealer of the Offering Memorandum, prepared by the Dealer in connection with the sale of Commercial Paper Notes, and the distribution of the Offering Memorandum by the Dealer, is approved subject to the approval thereof by an Authorized Representative. Any Authorized Representative is hereby authorized to provide to the Dealer such information as may be necessary, in the reasonable judgment of the Dealer, to update, on an annual basis, the Offering Memorandum.

Section 6.09. Approval of Attorney General. The Authorized Representative shall submit this Ordinance and a transcript of proceedings related thereto to the Attorney General of the State of Texas for approval, as required by the Act. No Notes herein authorized to be issued shall be sold or delivered by an Authorized Representative until the Attorney General of the State of Texas shall have approved this Ordinance, the Credit Agreement and other agreements and proceedings as may be required in connection therewith, all as required by the Act. The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Commercial Paper Notes, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

Section 6.10. Termination of Authority to Issue Series B Commercial Paper Notes and Series C Commercial Paper Notes. Upon the effective date of the Credit Agreement, the authority of the City to issue Series B Commercial Paper Notes and Series C Commercial Paper Notes shall be terminated, and the provisions of Ordinance No. 25714 and Ordinance No. 27515, and any amendments to either ordinance, shall be of no force and effect. No Series B Commercial Paper Note and no Series C Commercial Paper Note shall be outstanding as of the Business Day prior to the effective date of the Credit Agreement. In connection therewith, the City Manager and the Chief Financial Officer of the City are each authorized to execute such instruments as in his or her judgment may be necessary to provide that the Series D Credit Agreement reflects, as of the effective date of the Credit Agreement, that references relating to the Series B Commercial Paper Notes and the Series C Commercial Paper Notes in the Series D

Credit Agreement shall be deemed to mean the Commercial Paper Notes issued under authority of this Ordinance.

Section 6.11. Preamble. The preamble to this Ordinance shall be considered an integral part of this Ordinance, and is herein incorporated as part of the body of this Ordinance for all purposes.

Section 6.12. Immediate Effect. This Ordinance shall be effective immediately from and after its passage in accordance with the provisions of Section 1201.028, Texas Government Code.

Section 6.13. Open Meeting. It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

PASSED AND APPROVED the 25th day of June, 2014.

APPROVED AS TO FORM:
Warren M.S. Ernst, City Attorney

By: _____

THE STATE OF TEXAS :
COUNTIES OF DALLAS, DENTON, COLLIN AND ROCKWALL :
CITY OF DALLAS :

I, ROSA A. RIOS, City Secretary of the City of Dallas, Texas, do hereby certify that the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in Regular Meeting on the 25th day of June, 2014, and an Ordinance authorizing the issuance and sale of commercial paper notes in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, which Ordinance is duly of record in the minutes of said City Council; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this the __th day of _____, 2014.

Rosa A. Rios, City Secretary
City of Dallas, Texas

(SEAL)

ISSUING AND PAYING AGENT AGREEMENT

This Issuing and Paying Agent Agreement (this "Agreement"), dated as of September 1, 2014, is entered into by and between the City of Dallas, Texas (the "Issuer") and U.S. Bank National Association (the "Issuing and Paying Agent") in connection with the issuance and payment of the Commercial Paper Notes defined below.

W I T N E S S E T H:

WHEREAS, on June 25, 2014, the City Council of the Issuer adopted an ordinance (the "Note Ordinance") which authorized the issuance of its Waterworks and Sewer System Commercial Paper Notes, Series E (the "Commercial Paper Notes") pursuant to the provisions of Chapter 1371, Texas Government Code, which is referred to herein as the "Act", to provide interim financing for additions, improvements and extensions to the City's combined waterworks and sewer system, in an aggregate principal amount not to exceed \$300,000,000 at any one time outstanding; and

WHEREAS, the Issuer hereby requests the Issuing and Paying Agent to act, on the terms and conditions specified herein, as issuing and paying agent on behalf of purchasers of the Commercial Paper Notes which the Issuer shall from time to time deliver or cause to be delivered to the Issuing and Paying Agent pursuant to the Authorizing Acts (as defined below) and the Note Ordinance; and

WHEREAS, the Issuing and Paying Agent is willing to act as issuing and paying agent upon the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound hereby, the parties agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings given them in the Note Ordinance or the Credit Agreement. As used herein the following terms shall have the meanings assigned.

"Account" means the note payment account of the issuer maintained at, and on the records of, the Issuing and Paying Agent pursuant to the provisions of Section 5 hereof.

"Authorized Representative" means one or more of the following officers or employees of the City, acting in concert or individually: the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer of the City, or such other officer or employee of the City designated in writing by the City Manager or the Chief Financial Officer, and approved by the City Council, to act as an Authorized Representative.

"Authorizing Acts" means the Act and Chapter 1502, Texas Government Code, as amended.

"Available Commitment" means, at any date, the excess of the Commitment as of such date over the principal amount advanced and outstanding under the Note on such date.

"Bank" means JPMorgan Chase Bank, National Association, in its capacity as Liquidity Provider.

"Business Day" means any day on which DTC is scheduled to be open for money market instrument settlement services and is other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or a day on which banks in New York, New York or in the City of Dallas, Texas are authorized by law or executive order to close.

"Certificate of Designation" means the certificate certifying the incumbency and specimen signatures of such person or persons of the Issuing and Paying Agent authorized to receive and sign Commercial Paper Notes.

"Commercial Paper Notes" means the City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E.

"Commitment" means \$322,191,780.82, as such amount may be reduced from time to time pursuant to the Credit Agreement.

"Constitution" means the Constitution of the State of Texas, as amended.

"Credit Agreement" means the Revolving Credit Agreement between the Issuer and the Liquidity Provider dated as of September 1, 2014.

"Dealer Representative" means each employee of the Dealer authorized to give notices and/or issuance instructions.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Incumbency Certificate" means a certificate of the Issuer certifying the incumbency of individuals authorized to take action on behalf of the Issuer.

"Issuing Officials" means the Authorized Representatives of the Issuer.

"Letter of Representations" means the letter of representations issued by DTC with respect to the Master Note.

"Liquidity Provider" means the Bank, or any subsequent or succeeding party to the Credit Agreement.

"Master Note" means the master note, in the form provided by DTC, with respect to the Commercial Paper Notes.

"No-Issuance Event" means receipt by the Issuing and Paying Agent from the Liquidity Provider of a Non-Issuance Instruction.

"Non-Issuance Instruction" means a notice from the Liquidity Provider to the Issuer and the Issuing and Paying Agent in the form of Exhibit A to the Credit Agreement.

"Note" means the promissory note or notes from the Issuer to the Liquidity Provider in the aggregate principal amount not to exceed \$300,000,000.

"Note Account" means the Issuer's Series E Note Payment Fund established by the Issuer pursuant to Section 2.09 of the Note Ordinance.

"Rating Agencies" means Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

"Stated Expiration Date" means September 30, 2017, or such later date as may be established pursuant to the Credit Agreement.

"Termination Date" means the earliest of (a) the Stated Expiration Date, (b) the date on which no the Available Commitment is reduced to zero as provided in the Credit Agreement, and (c) the Substitution Date, as defined in the Credit Agreement.

2. Supply of Commercial Paper Notes.

(a) The Issuer will from time to time furnish the Issuing and Paying Agent an adequate supply of Commercial Paper Notes, which shall be Book-Entry Commercial Paper Notes and/or certificated Commercial Paper Notes, as the Issuer, in accordance with the provisions of the Note Ordinance, in its sole and absolute discretion considers appropriate. Certificated Commercial Paper Notes shall be in substantially the form set forth in Section 2.05 of the Note Ordinance, shall be serially numbered and shall have been executed by manual or facsimile signature of an Authorized Representative, but shall otherwise be uncompleted. Book-Entry Commercial Paper Notes shall be substantially in the forms attached to the Letter of Representations and shall be represented by a Master Note which shall be executed by manual or facsimile signature by an Authorized Representative in accordance with the Letter of Representations. Pending receipt of instructions pursuant to this Agreement, the Issuing and Paying Agent will hold the certificated Commercial Paper Notes and the Master Note in safekeeping for the account of the Issuer or DTC, as the case may be, in accordance with the Issuing and Paying Agent's customary practice and the requirements of the Note Ordinance.

(b) Each certificated Commercial Paper Note or Master Note, as the case may be, delivered to the Issuing and Paying Agent shall be accompanied by a letter from the Issuer identifying the certificated Commercial Paper Note(s) or Master Note(s) transmitted therewith, and the Issuing and Paying Agent shall acknowledge receipt of such certificated Commercial Paper Note(s) or Master Note(s) on the copy of such letter or pursuant to some other form of written receipt deemed appropriate by it at the time of delivery to it of such certificated Commercial Paper Note(s) or Master Note(s). Pending the issuance of certificated Commercial Paper Notes as provided in Section 4 hereof, all certificated Commercial Paper Notes and Master Note(s) delivered to it shall be held by it for the account of the Issuer or DTC, as the case may be, for safekeeping in accordance with its customary practice and the requirements of the Note Ordinance.

3. Authorized Representatives.

(a) Annually or more frequently, if requested in writing by the Issuing and Paying Agent, to reflect changes thereto, the Issuer will furnish to the Issuing and Paying Agent an Incumbency Certificate certifying the incumbency and specimen signatures of the persons then authorized to act as Authorized Representative(s) and Issuing Officials of the Issuer for purposes of the Note

Ordinance and this Agreement, or certifying as to no change in the preceding certification, as the case may be, and the Issuing and Paying Agent shall act hereunder only upon instructions of such Authorized Representative(s) and/or Issuing Officials. Such Incumbency Certificate shall also specify the names of the Dealer Representatives who are authorized to give notices and/or issuance instructions to the Issuing and Paying Agent as provided herein. The Issuing and Paying Agent shall not have any responsibility to the Issuer to determine by whom or by what means a facsimile signature may have been affixed on the Commercial Paper Notes, or to determine whether any facsimile or manual signature resembles the specimen signature(s) filed with it, and the facsimile signature of a person who is an Authorized Representative on the date such signature is affixed shall be binding on the Issuer after the authentication thereof by the Issuing and Paying Agent notwithstanding that such person shall have died or shall have otherwise ceased to hold his office on the date such Commercial Paper Note is countersigned or delivered to the Issuing and Paying Agent. Until the Issuing and Paying Agent receives a subsequent certificate from the Issuer, it shall be entitled to rely upon the last such certificate delivered to it for purposes of determining the Authorized Representative(s) and/or Issuing Officials of the Issuer.

(b) Upon the Issuing and Paying Agent's receipt of this Agreement, and from time to time thereafter as it chooses, it shall deliver a Certificate of Designation certifying the incumbency and specimen signatures of its employees who are authorized to receive, authenticate and deliver Commercial Paper Notes. Until the Issuer shall receive a subsequent Certificate of Designation, or unless an Authorized Representative shall have received written notice of the lack of authority of any individual, the Issuer may rely on the last such Certificate of Designation delivered to it.

4. Completion, Authentication and Delivery of Commercial Paper Notes.

(a) From time to time during the term of this Agreement and subject to the terms and conditions hereof, and upon the Issuing and Paying Agent's timely receipt of written, telecopy or electronic instructions or notice transmitted directly to its computers or in such manner as it then employs as its normal business practice, not later than 12:00 p.m., in the case of certificated Commercial Paper Notes, on a Business Day, from an Authorized Representative or a Dealer Representative, on the date of issuance of any certificate. Commercial Paper Notes (in the case of instructions from an Authorized Representative, a copy of such instructions shall be sent to the Dealer Representative by said Authorized Representative) the Issuing and Paying Agent shall withdraw the respective certificated Commercial Paper Notes from safekeeping and in accordance with the instructions so received, take the following actions with respect to each such certificated Commercial Paper Note:

i. date each such certificated Commercial Paper Note the date of issuance thereof (which shall be a Business Day) and insert the maturity date thereof (provided that the Authorized Representative or Dealer Representative shall ensure that such date is a Business Day and that it shall not be more than 270 days from the date of issue or after the Stated Expiration Date) and the face amount (provided that Authorized Representative or the Dealer Representative shall ensure that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof) thereof in figures;

ii. authenticate (by countersigning) each such certificated Commercial Paper Note in the appropriate space provided thereon; and

iii. deliver in the Borough of Manhattan south of Chambers Street each such certificated Commercial Paper Note to the Dealer, or the consignee, if any, designated by such Authorized Representative or Dealer Representative for the account of the Dealer.

(b) In the case of Book-Entry Commercial Paper Notes, from time to time during the term of this Agreement and subject to the terms and conditions hereof, and upon the Issuing and Paying Agent's timely receipt of written, telecopy or electronic instructions or notice transmitted directly to its computers or in such a manner as it then employs as its normal business practice, not later than 2:00 p.m., in the case of Book-Entry Commercial Paper Notes, on a Business Day, from an Authorized Representative or a Dealer Representative, on the date of issuance of any Book-Entry Commercial Paper Notes (in the case of instructions from an Authorized Representative, a copy of such instructions shall be sent to the Dealer Representative by said Authorized Representative) the Issuing and Paying Agent shall give issuance instructions for the issuance of Book-Entry Commercial Paper Notes to DTC in a manner set forth in, and take other actions as are required by, the Letter of Representations. Instructions for the issuance of Book-Entry Commercial Paper Notes shall include the following information with respect to each Book-Entry Commercial Paper Note:

- i. the date of issuance of each such Book-Entry Commercial Paper Note (which shall be a Business Day);
- ii. the maturity date of each such Book-Entry Commercial Paper Note (provided that the Representative or Dealer Representative shall ensure that such date is a Business Day and that it shall not be more than 270 days from the date of issue or after the Stated Expiration Date); and
- iii. the face amount (provided that the Authorized Representative or the Dealer Representative shall ensure that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof) in figures.

Notwithstanding anything which may be to the contrary in this Agreement, no Commercial Paper Notes shall be issued, authenticated or delivered in violation of Section 4.03 of the Note Ordinance, or if the Issuing and Paying Agent shall be in receipt of a Non-Issuance Instruction unless and until it shall be in receipt of written notice from the Liquidity Provider, of the revocation thereof. The Issuing and Paying Agent shall notify the Issuer immediately of any action or cessation of action taken pursuant to this paragraph.

The Issuer shall provide to the Issuing and Paying Agent confirmations of the amount of Revolving Loans or Term Loans outstanding and the amount of the Commitment from time to time and in sufficient time to inform the Issuing and Paying Agent as to whether the conditions and limitations contained in clause (i) in subsection (a) hereof and clause (ii) of subsection (b) hereof have been complied with in connection with each issuance of Commercial Paper Notes.

Without limiting or otherwise affecting the obligations of the Issuing and Paying Agent provided above, the Issuer agrees to give notice to the Issuing and Paying Agent of each Revolving Loan or Term Loan and prepayment thereof, and change in the Commitment, at the same time any notice thereof is given to the Issuer under the Credit Agreement.

Any Non-Issuance Instruction shall be full and complete authorization to the Issuing and Paying Agent to take action or omit to take action hereunder. The Issuing and Paying Agent shall have no responsibility for the correctness or validity of any Non-Issuance Instruction, notwithstanding any contrary instructions received from the Issuer or the Dealer, as the case may be.

(c) The Issuing and Paying Agent shall send a report (by telecopy or other means permitted hereunder) to the Issuer on a monthly basis of the Issuing and Paying Agent's issuance of Commercial Paper Notes under this Section 4, including the maturity date and face amount of each Commercial Paper Note issued.

(d) Instructions given must be received by the Issuing and Paying Agent by 12:00 p.m., if the Commercial Paper Note(s) are to be delivered the same day. Telephone instructions shall be confirmed in writing the same day.

(e) The Issuer understands that although the Issuing and Paying Agent has been instructed to deliver Commercial Paper Notes against payment, delivery of Commercial Paper Notes will be made, in accordance with the custom prevailing in the commercial paper market, before receipt of payment in immediately available funds. Therefore, once the Issuing and Paying Agent has delivered a Commercial Paper Note to a Dealer or its agent as provided herein, the Issuer shall bear the risk that a Dealer or its agent fails to remit payment for the Commercial Paper Note to the Issuing and Paying Agent. The Issuing and Paying Agent shall have no liability to the Issuer for any failure or inability on the part of the Dealer to make payment for Commercial Paper Notes. Nothing in this Agreement shall require the Issuing and Paying Agent to purchase any Commercial Paper Note or expend its own funds for the purchase price of a Commercial Paper Note or Commercial Paper Notes.

(f) Except as may otherwise be provided in the Letter of Representations, if at any time the Issuer instructs the Issuing and Paying Agent to cease issuing certificated Commercial Paper Notes and to issue only Book-Entry Commercial Paper Notes, the Issuing and Paying Agent agrees that all Commercial Paper Notes will be issued as Book-Entry Commercial Paper Notes and that no certificated Commercial Paper Notes shall be exchanged for Book-Entry Commercial Paper Notes unless and until it has received written instructions from an Authorized Representative (any such instructions from a Dealer Representative shall not be sufficient for this purpose) to the contrary.

(g) It is understood that the Issuing and Paying Agent is not under any obligation to assess or review the financial condition or credit worthiness of any person to or for whose account it delivers a Commercial Paper Note pursuant to instructions from an Authorized Representative or Dealer Representative or to advise the Issuer as to the results of any such appraisal or investigation it may have conducted on its own or of any adverse information concerning any such person that may in any way have come to its attention.

(h) It is understood that DTC may request the delivery of certificated Commercial Paper Notes in exchange for Book-Entry Commercial Paper Notes upon the termination of DTC's services pursuant to the Letter of Representations. Accordingly, upon such termination, the Issuing and Paying Agent is authorized to complete and deliver certificated Commercial Paper Notes in partial or complete substitution for Book-Entry Commercial Paper Notes of the same face amount and maturity as requested by DTC. Upon the completion of delivery of any such certificated Commercial Paper Note, the Issuing and Paying Agent shall annotate its records regarding the

Master Note with respect to such Book-Entry Commercial Paper Notes to reflect a corresponding reduction in the face amount of the outstanding Book-Entry Commercial Paper Notes. The Issuing and Paying Agent's authority to so complete and deliver such certificated Commercial Paper Notes shall be irrevocable at all times from the time a Book-Entry Commercial Paper Note is purchased until the indebtedness evidenced thereby is paid in full.

(i) If the Issuing and Paying Agent shall receive written or telecopy instructions (confirmed in writing in accordance with this Agreement) from the Issuer not to issue or deliver Commercial Paper Notes, until revoked in writing or superseded by further written instructions from the Issuer, the Issuing and Paying Agent shall not issue or deliver Commercial Paper Notes, provided, however, that notwithstanding contrary instructions from the Issuer, the Issuing and Paying Agent shall be required to deliver Commercial Paper Notes with respect to agreements for the sale of Commercial Paper Notes concluded by an Authorized Representative or Dealer Representative prior to receipt by the Authorized Representative or Dealer Representative of notice of such instructions from the Issuer, which the Authorized Representative or Dealer Representative shall be required to confirm to the Issuing and Paying Agent in writing prior to its delivery of the Commercial Paper Notes. For purposes of the preceding provision, the Issuing and Paying Agent may rely on written notice given or delivered to it by an Authorized Representative or Dealer Representative as to whether any particular Commercial Paper Notes are to be issued in respect of such agreements concluded by such Authorized Representative or Dealer Representative, and the Issuing and Paying Agent shall have no obligation to make any other or further investigation.

5. Proceeds of Sale of the Commercial Paper Notes. In accordance with the provisions of Section 2.09 of the Note Ordinance, and for the purposes of this Agreement, the Issuing and Paying Agent will establish the Note Account in the Issuer's name. On each day on which a Dealer or its agent receives Commercial Paper Notes (whether through the facilities of DTC in the manner set forth in the Letter of Representations or by delivery in accordance with the provisions of this Agreement), all proceeds received by the Issuing and Paying Agent in connection with such sale shall be credited in immediately available funds to the Note Account. From time to time upon written instructions received by the Issuing and Paying Agent from an Authorized Representative, the Issuing and Paying Agent agrees to transfer immediately available funds from the Note Account to any bank or trust company in the United States for the Issuer's account.

6. Payment of Matured Commercial Paper Notes.

(a) By 11:15 a.m. on the date that any Commercial Paper Note is scheduled to mature, there shall have been transferred to the Issuing and Paying Agent for deposit in the Note Account immediately available funds at least equal to the amount of Commercial Paper Notes maturing on such date. When any matured Commercial Paper Note is presented to the Issuing and Paying Agent for payment by the holder thereof (which may, in the case of Book-Entry Commercial Paper Notes held by the Issuing and Paying Agent, be DTC or a nominee of DTC), payment shall be made from and charged to the Note Account to the extent funds are available in the Note Account. In the event that funds are not available or deemed available in the Note Account as set forth above on any Business Day on which Commercial Paper Notes are maturing, the Issuing and Paying Agent shall deliver to the Liquidity Provider, a notice of a request for a Loan under the Credit Agreement in the form attached thereto as Exhibit B not later than 11:30 a.m.

(b) Each Commercial Paper Note presented to the Issuing and Paying Agent for payment at or prior to 2:15 p.m. on any Business Day at or after the maturity date of such Commercial Paper Note shall be paid by the Issuing and Paying Agent on the same day as such presentation (or if presented after 2:15 p.m. on any such Business Day, then on the next succeeding Business Day) to the extent funds are available in the Note Account.

7. Representations and Warranties of the Issuer. The Issuer hereby warrants and represents to the Issuing and Paying Agent, and, each request to issue Commercial Paper Notes shall constitute the Issuer's continuing warranty and representation, as follows:

(a) This Agreement is, and all Commercial Paper Notes delivered to the Issuing and Paying Agent pursuant to this Agreement will be, duly authorized, executed and delivered by the Issuer.

(b) This Agreement constitutes, and the Commercial Paper Notes, when completed, countersigned, and delivered pursuant hereto, will constitute, the Issuer's legal, valid and binding obligations enforceable against the Issuer in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity.

(c) The Issuer is duly organized and validly existing under the laws of the State of Texas and no liquidation, dissolution, bankruptcy, windup or similar proceedings have been instituted with respect to the Issuer.

(d) The Issuer has, and at all relevant times has had, all necessary power and authority to execute, deliver and perform this Agreement and to issue the Commercial Paper Notes.

(e) All actions on the part of the Issuer which are required for the authorization of the issuance of the Commercial Paper Notes, and for the authorization, execution, delivery and performance of this Agreement, do not require the approval or consent of any holder or trustee of any indebtedness or obligations of the Issuer.

(f) The issuance of Commercial Paper Notes by the Issuer (i) does not and will not contravene any provision of any governmental law, regulation or rule applicable to the Issuer, and (ii) does not and will not conflict with, breach or contravene the provisions of any contract or other instrument binding upon the Issuer.

8. Reliance on Instructions. Except as otherwise set forth herein, the Issuing and Paying Agent shall incur no liability to the Issuer in acting hereunder upon telephonic or other instructions contemplated, hereby which it reasonably believed in good faith to have been given by an Authorized Representative or a Dealer Representative, as the case may be. In the event a discrepancy exists with respect to such instructions, the telephonic instructions as understood by the Issuing and Paying Agent will be deemed the controlling and proper instructions, unless such instructions are required by this Agreement to be in writing.

9. Cancellation of Commercial Paper Notes. Upon payment by the Issuing and Paying Agent of certificated Commercial Paper Note(s) presented for payment, the Issuing and Paying Agent shall mark such certificated Commercial Paper Note(s) as paid and (i) in due course cancel certificated Commercial Paper Note(s) presented for payment and from time to time return such canceled

certificated Commercial Paper Notes to the Issuer, or (ii) destroy such certificated Commercial Paper Notes(s) and deliver to the Issuer from time to time a destruction certificate identifying all certificated Commercial Paper Notes destroyed since the issuance of the prior destruction certificate. After payment of any matured Book-Entry Commercial Paper Notes, the Issuing and Paying Agent shall annotate its records to reflect the face amount of Book-Entry Commercial Paper Notes outstanding in accordance with the Letter of Representations. Promptly upon the written request of the Issuer, the Issuing and Paying Agent agrees to cancel and return to the Issuer all unissued certificated Commercial Paper Notes in the Issuing and Paying Agent's possession at the time of such request.

10. Notices; Addresses.

(a) All communications to the Issuing and Paying Agent by or on behalf of the Issuer or a Dealer, by writing, telecopy, electronic transmission or telephone relating to the completion, delivery or payment of the Commercial Paper Note(s) are to be directed to Commercial Paper Operations at the following address:

U.S. Bank National Association
100 Wall Street
16th Floor
New York, New York 10005
Attention: Commercial Paper Operations
Telephone: (212) 951-8508
Telefax: (212) 509-4529
E-mail: _____

(b) Notices and other communications hereunder shall (except to the extent otherwise expressly provided) be in writing (which may be by facsimile) and shall be addressed as follows, or to such other address as the party receiving such notice shall have previously specified to the party sending such notice:

if to the Issuer, at:

City of Dallas, Texas
1500 Marilla
Dallas, Texas 75201
Attention: Chief Financial Officer
Telephone: (214) 670-5631
Telefax: (214) 670-4653
E-mail: jeanne.chipperfield@dallascityhall.com

if to the Issuing and Paying Agent, at:

U.S. Bank National Association
100 Wall Street, Suite 1600
Attention: Millie Rolla
New York, New York 10005

Telephone: (212) 951-8512
Telefax: (212) 361-6153
E-mail: millie.rolla@usbank.com

if to the Dealer, at:

J.P. Morgan Securities LLC
10 South Dearborn, Floor 13
Chicago, Illinois 60603
Attention: Don Wilbon, Managing Director
Telephone: (312) 385-8485
Telecopy: (312) 732-2400
E-mail: don.e.wilbon@jpmorgan.com

if to the Rating Agencies, at:

Moody's Investor's Service, Inc.
Attention: Public Finance Group
7 World Trade Center at 250 Greenwich Street
New York, New York 10007
Telephone: (212) 553-7738
Telefax: (212) 233-6263

Standard & Poor's Ratings Group
25 Broadway
New York, New York 10004
Telephone: (212) 208-1811
Telefax: (212) 412-0506

if to the Liquidity Provider, at:

JPMorgan Chase Bank, National Association
883 Madison Avenue
7th Floor
Attention: David Bayer
New York, New York 10179-0001
Telephone: (212) 270-4186
Telefax: (917) 546-2657
E-mail: david.m.bayer@jpmorgan.com

(c) In any case where it is provided in this Agreement that a copy of any instruction, demand or other notice is to be delivered to the Dealer, such copy shall be delivered to the Dealer at the address set forth above by the same means as the original thereof shall have been given, provided that the failure of such copy to be given to any Dealer shall not invalidate or adversely affect the original thereof. Notices shall be deemed delivered when received at the address specified above.

For purposes of this Section 10, "when received" shall mean actual receipt (i) of an electronic communication by telecopier or issuance system specified in or pursuant to this Agreement; or (ii) of an oral communication by any person answering the telephone at the office of the individual or department specified in or pursuant to this Agreement; or (iii) of a written communication hand-delivered at the office specified in or pursuant to this Agreement.

(d) The Issuer shall provide written notice to the Issuing and Paying Agent of any termination of the Commitment and replacement of the Liquidity Provider at least ten Business Days prior to the effective date thereof whereupon the Issuing and Paying Agent shall provide written notice thereof to the holders of the Commercial Paper Notes at least five Business Days prior to the effective date thereof.

(e) The Issuer agrees that prior to the initial issuance of Commercial Paper Notes, it shall provide notice to the Rating Agencies of the principal amount of Commercial Paper Notes that are to be issued as the initial issuance of Commercial Paper Notes under the Note Ordinance, in the manner prescribed by this Section 10.

11. Liability. Neither the Issuing and Paying Agent nor its officers, employees or agents shall be liable for any act or omission hereunder, except in the case of negligence or willful misconduct as described in Section 12 herein. The Issuing and Paying Agent's duties and obligations and those of its officers and employees shall be determined by the express provisions of this Agreement, the Letter of Representations and the Note Ordinance (including the documents referred to therein), and the Issuing and Paying Agent and its officers, employees and agents shall be responsible for the performance of only such duties and obligations as are specifically set forth herein and therein, and no implied covenants shall be read into any such document against the Issuing and Paying Agent or its officers, employees or agents. Neither the Issuing and Paying Agent nor its officers or employees or agents shall be required to ascertain whether any issuance or sale of Commercial Paper Note(s) (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement to which the Issuer is a party (whether or not the Issuing and Paying Agent is a party to such other agreement).

12. Indemnity. To the extent permitted by the laws of the State of Texas, the Issuer agrees to indemnify and hold the Issuing and Paying Agent, its employees and any of its officers and agents harmless from and against, and the Issuing and Paying Agent shall not be liable for, any and all losses, liabilities (including liabilities for penalties), actions, suits, judgments, demands, damages, costs and expenses of any nature (including, without limitation, attorneys' fees and expenses) arising out of or resulting from the exercise of its rights and/or the performance of its duties (or those of its agents and employees) hereunder; provided, however, that the Issuer shall not be liable to indemnify or pay the Issuing and Paying Agent or any of its officers, employees or agents with respect to any loss, liability, action, suit, judgment, demand, damage, cost or expense that results from or is attributable to the Issuing and Paying Agent's negligence or willful misconduct or that of its officers, employees or agents. The foregoing indemnity includes, but is not limited to, any action taken or omitted to be taken by the Issuing and Paying Agent or any of its officers, employees or agents upon written, telecopy, telephonic or other electronically transmitted instructions (authorized herein) received by the Issuing and Paying Agent from, or believed by it in good faith to have been given

by, the proper person or persons. The provisions of this Section 12 shall survive (i) the Issuing and Paying Agent's resignation or removal hereunder and (ii) the termination of this Agreement.

13. Termination.

(a) This Agreement may be terminated at any time by either the Issuing and Paying Agent or the Issuer by 15 days' prior written notice to the other, provided that the Issuing and Paying Agent agrees to continue acting as Issuing and Paying Agent hereunder until such time as its successor has been selected and has entered into an agreement with the Issuer to that effect. Such termination shall not affect the respective liabilities of the parties hereunder arising prior to such termination.

(b) If no successor has been appointed within 30 days, then the Issuing and Paying Agent has the right to petition a court of competent jurisdiction for the appointment of a successor Issuing and Paying Agent. The Issuing and Paying Agent shall be reimbursed for any and all expenses in connection with any such petition and appointment.

(c) On the Business Day following the date of termination of this Agreement, the Issuing and Paying Agent shall destroy all certificated Commercial Paper Notes in its possession and shall transfer to the Issuer all funds, if any, then on deposit in the Note Account. The Issuing and Paying Agent shall promptly notify the Issuer of all certificated Commercial Paper Notes so destroyed.

14. Amendments and Modifications. No amendment, modification or waiver of any provision of this Agreement, nor any consent to any departure by any party from any provision hereof binding upon such party, shall be effective unless the same shall be in writing and signed by all the parties hereto.

15. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, including successors by merger, and assigns; provided, however, that no party hereto may assign any of its rights or obligations hereunder, except with the prior written consent of all the other parties hereto.

16. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Texas; however, the duties, obligations and immunities of the Issuing and Paying Agent under this Agreement shall be governed by the laws of the State of New York.

17. Execution in Counterparts. This Agreement may be executed in any number of counterparts; each counterpart, when so executed and delivered, shall be deemed to be an original; and all of which counterparts, taken together, shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

18. Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

19. Compensation and Expenses. The Issuer shall pay the Issuing and Paying Agent from time to time following the execution of this Agreement reasonable compensation for all services rendered by

the Issuing and Paying Agent hereunder as agreed between itself and the Issuer. The Issuer shall reimburse the Issuing and Paying Agent upon the Issuing and Paying Agent's request for all expenses, disbursements and advances incurred or made by the Issuing and Paying Agent in accordance with any provision of this Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel) except any expense or disbursement attributable to the Issuing and Paying Agent's negligence or willful misconduct.

20. Miscellaneous.

(a) No provision of this Agreement shall require the Issuing and Paying Agent to risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights and powers hereunder. If the Issuing and Paying Agent makes a deposit, payment or transfer of funds before it receives the immediately available funds, such deposit, payment or transfer shall represent an advance by the Issuing and Paying Agent to the Issuer to be repaid from such funds or by the Issuer in the event that such funds are not received by the Issuing and Paying Agent. It is intended that such advance be for no longer than 24 hours. Interest on each such unpaid advance shall be at a rate negotiated between the Issuing and Paying Agent and the Issuer and shall begin to accrue on the day of the advance. The Issuer shall assure the prompt reimbursement to the Issuing and Paying Agent of any such advance (including the interest thereon).

(b) The Issuing and Paying Agent may consult with counsel, and any advice or written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it, in the absence of bad faith, negligence or willful misconduct on its part, in reliance on such advice or opinion.

(c) The Issuing and Paying Agent makes no representation as to, and shall have no responsibility for, the correctness of any statement contained in, or the validity or sufficiency of, this Agreement or any documents or instruments referred to in this Agreement or as to or for the validity or collectability of any obligation contemplated by this Agreement. The Issuing and Paying Agent shall not be accountable for the use or application by any person of disbursements properly made by it in conformity with the provisions of this Agreement.

(d) The Issuing and Paying Agent may rely and shall be protected in acting upon any document or writing presented to it hereunder and reasonably believed by it to be genuine and to have been signed and presented by an authorized person or persons.

(e) All references to time in this Agreement shall refer to local time in New York, New York.

(f) Federal law requires that all financial institutions, such as the Issuing and Paying Agent, obtain, verify and record information that identifies each person who opens an account. The Issuer agrees, upon the written request of the Issuing and Paying Agent, to provide documentation to verify its formation and existence as a legal entity, and to provide, at the written request of the Issuing and Paying Agent, financial statements, license, identification and authorization documents from individuals claiming authority to represent the Issuer.

If the foregoing is acceptable to the Issuing and Paying Agent, please indicate its agreement therewith by signing one or more counterparts of this Agreement in the space provided below, and returning such signed counterpart(s) to the Issuer, whereupon this letter when signed by the Issuing and Paying Agent and the Issuer, will become a binding agreement between us.

CITY OF DALLAS, TEXAS

By: _____
Its: _____

Approved as to form:

Warren M.S. Ernst, City Attorney

By: _____
Its: _____

Agreed to and accepted this ____ day of _____, 2014.

U.S. BANK NATIONAL ASSOCIATION
as Issuing and Paying Agent

By: _____
Its: _____

REVOLVING CREDIT AGREEMENT

dated as of September 1, 2014

between

CITY OF DALLAS, TEXAS,

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,

relating to

CITY OF DALLAS, TEXAS
WATERWORKS AND SEWER SYSTEM
COMMERCIAL PAPER NOTES, SERIES E

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REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT is dated as of September 1, 2014, between the CITY OF DALLAS, TEXAS (the “City”) and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (“JPMC” or the “Bank”).

RECITALS:

WHEREAS, pursuant to Chapter 1371, Texas Government Code (the “Act”), the City is authorized to issue commercial paper notes and to execute and deliver one or more credit agreements with respect to such commercial paper notes; and

WHEREAS, pursuant to Ordinance No. _____, adopted on June 25, 2014 (the “Ordinance”), the City authorized the issuance of its Waterworks and Sewer System Commercial Paper Notes, Series E (the “Commercial Paper Notes”) in an aggregate principal amount not to exceed \$300,000,000 to provide interim financing for additions, improvements and extensions to the System (as defined herein) pursuant to the authority of the Act; and

WHEREAS, the City has requested JPMC to provide, and JPMC is willing to provide to the City, liquidity to support such Commercial Paper Notes by making available a revolving line of credit, initially in an aggregate principal amount not to exceed \$322,191,780.82 (said amount calculated to provide liquidity for the maximum aggregate principal amount of Commercial Paper Notes outstanding at any time, together with interest thereon for a period of 270 days at the rate of 10% per annum) at any time outstanding;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the following terms shall have the respective meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

“Act” has the meaning set forth in the recitals hereto.

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agreement” shall mean this Revolving Credit Agreement, as amended, supplemented or otherwise modified from time to time.

“*Anti-Corruption Laws*” means all laws, rules and regulations of any jurisdiction applicable to the City from time to time concerning or relating to bribery or corruption.

“*Applicable Rate*” has the meaning set forth in the Fee Letter.

“*Audited Financial Statements*” means the audited Comprehensive Annual Financial Report and any related basic financial statements for the City for each Fiscal Year, commencing with the Fiscal Year ended September 30, 2013.

“*Authorized Representative*” has the meaning set forth in the Ordinance.

“*Available Commitment*” shall mean, at any date, the sum of the Available Principal Commitment and the Available Interest Commitment then in effect.

“*Available Interest Commitment*” shall mean, and in no event shall it exceed, \$22,191,780.82. which constitutes two hundred seventy (270) days of interest at ten percent (10%) on the maximum Available Principal Commitment calculated on the basis of actual number of days and a 365-day or 366-day year, as applicable, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Interest Component of any Loan; (b) upward in an amount equal to the Interest Component of any Loan that is repaid, pursuant to the terms of Section 2.03 or 2.07; and (c) downward by an amount that bears the same proportion to the Available Interest Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided, however*, that after giving effect to any such adjustment the Available Interest Commitment shall never exceed \$22,191,780.82. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*Available Principal Commitment*” shall mean, and in no event shall it exceed, \$300,000,000, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Principal Component of any Loan; (b) upward in an amount equal to the Principal Component of any Loan that is repaid pursuant to the terms of Section 2.03 or 2.07; and (c) downward by an amount that bears the same proportion to the Available Principal Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided, that*, after giving effect to any such adjustment the Available Principal Commitment shall never exceed \$300,000,000. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*Bank Note*” shall mean the promissory note or notes made by the City to the order of JPMC, evidencing Loans payable from Pledged Revenues, substantially in the form of Exhibit C attached hereto, with appropriate completions, and any and all renewals, extensions or modifications thereof.

“*Bank Rate*” means, for each day of determination with respect to any Loans, except as provided in Section 2.04 hereof, a rate per annum equal to (i) for the period from and including the date such Loan is made to but not including the earlier to occur of (x) the Conversion Date

and (y) the date which is ninety (90) calendar days immediately following the date such Loan is made, the Base Rate from time to time in effect, and (ii) from and after the Conversion Date, the Base Rate from time to time in effect plus one percent (1.00%); *provided* that from and after the occurrence of an Event of Default, “*Bank Rate*” shall mean the Default Rate; *provided further* that at no time shall the Bank Rate be less than the highest per annum rate of interest applicable to any Outstanding Commercial Paper Notes. Each change in any interest rate provided for herein resulting from a change in the Prime Rate or the Federal Funds Rate shall take effect at the time of such change in the Prime Rate or the Federal Funds Rate, respectively.

“*Banking Arrangements*” means (a) the agreements of the Bank and the City set forth in this Agreement and the transactions contemplated hereby, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the City, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the City, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing.

“*Base Rate*” shall mean, for any day, the highest of (i) the Federal Funds Rate *plus* two percent (2%), (ii) the Prime Rate, *plus* one and one half of one percent (1.5%) or (iii) seven and one-half of one percent (7.5%) per annum.

“*Business Day*” shall mean any day (i) when banks are not required or authorized by law or executive order to be closed in Dallas, Texas, New York, New York or the city in which the office of JPMC at which demands hereunder are to be honored is located and (ii) when the New York Stock Exchange is not required or authorized by law or executive order to be closed.

“*Change in Law*” means the adoption, after the Effective Date, of or change in any law, rule, regulation, statute, treaty, guideline or directive of any Governmental Authority or the occurrence of the effective date of any of the foregoing if adopted prior to the Effective Date or any change after the Effective Date in the application, interpretation or enforcement, of any of the foregoing.

“*City*” shall mean the City of Dallas, Texas.

“*Co-Bond Counsel*” shall mean McCall, Parkhurst & Horton L.L.P. and Escamilla, Poneck & Cruz, LLP, or any other firm or firms selected by the City whose opinion concerning bond matters is nationally recognized.

“*Code*” shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable regulations from time to time promulgated or proposed thereunder by the United States Department of the Treasury.

“*Commercial Paper Notes*” has the meaning set forth in the recitals hereto.

“*Commitment*” shall mean an amount equal to \$322,191,780.82, as such amount may be terminated and reduced pursuant to Section 2.06 or 7.01 hereof.

“*Commitment Termination Date*” shall mean the earlier of:

- (a) September 30, 2017, or such later date as may be established pursuant to Section 2.09 hereof;
- (b) the date the Commitment is reduced to zero pursuant to Section 2.06 or Section 7.01 hereof; and
- (c) the Substitution Date.

“*Control*” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “*Controlling*” and “*Controlled*” have meanings correlative thereto.

“*Conversion Date*” is defined in Section 2.03(a) hereof.

“*Dealer*” shall mean each dealer selected from time to time by the City to market the Commercial Paper Notes in accordance with the Ordinance. As of the Effective Date, the Dealer is J.P. Morgan Securities LLC.

“*Dealer Agreement*” has the meaning set forth in the Ordinance.

“*Debt*” of any Person means, at any date and without duplication, (i) all obligations of such Person for borrowed money, including without limitation, obligations secured by any of the revenues or assets of such Person and all obligations of such Person evidenced by bonds (including revenue bonds), debentures, notes or other similar instruments, (ii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iii) all obligations of such Person as lessee under capital leases, (iv) all indebtedness of others secured by a Lien on any asset of such Person, whether or not such indebtedness is assumed by such Person, (v) all indebtedness of others guaranteed by, or secured by any of the revenues or assets of, such Person and (vi) net payment obligations of such Person under any Swap Contract.

“*Debtor Relief Laws*” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“*Default*” shall mean any condition or event that constitutes an Event of Default or that, with the giving of notice or lapse of time or both, would constitute an Event of Default.

“*Default Rate*” shall mean a rate of interest per annum equal to the Base Rate, *plus* three percent (3%).

“*Dodd-Frank Act*” means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

“*Dollar*,” “*Dollars*” and “*\$*” mean lawful money of the United States.

“*Effective Date*” means September __, 2014, so long as the conditions precedent set forth in Section 4.01 hereof have been satisfied or waived.

“*Eligible Assignee*” means any Person that meets the requirements to be an assignee under Section 8.06 (subject to such consents, if any, as may be required under Section 8.06(c)(iii)).

“*Employee Plan*” shall mean an employee benefit plan covered by Title IV of ERISA and maintained for employees of the City.

“*ERISA*” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and, unless the context otherwise requires, the rules and regulations promulgated thereunder from time to time.

“*Event of Default*” is defined in Section 7.01 hereof.

“*Excess Interest*” is defined in Section 2.04(c) hereof.

“*Excluded Tax*” means, with respect to JPMC or any other recipient of any payment to be made by or on account of any obligation of the City hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office is located or, in the case of JPMC, in which its applicable Lending Office is located, (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the City is located, and (c) any backup withholding tax that is required by the Code to be withheld from amounts payable to JPMC that has failed to comply with clause (A) of Section 3.01(e)(ii).

“*Facility Fee*” has the meaning set forth in the Fee Letter.

“*Federal Funds Rate*” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to JPMC on such day on such transactions as determined by JPMC.

“*Fee Letter*” means that certain Fee Letter Agreement dated as of September 1, 2014, between the City and JPMC.

“*Final Maturity Date*” shall mean, with respect to any Term Loan, the earlier to occur of (i) the fifth anniversary of the Conversion Date for such Term Loan, (ii) the fifth anniversary of the Commitment Termination Date, (iii) the Substitution Date that a substitute liquidity or credit facility replaces this facility, and (iv) the date that the Available Commitment is permanently reduced to zero or this facility is otherwise terminated prior to the Commitment Termination Date, including the occurrence of an Event of Default.

“*Fiscal Year*” shall mean the period beginning on October 1 of each year and ending on the next succeeding September 30, or any other twelve month period hereafter designated as the official fiscal year period of the City, which designation shall be provided to JPMC in a certificate executed by an Authorized Representative of the City.

“*GAAP*” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board and all relevant pronouncements of the Governmental Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied to government entities such as the City. If any pronouncements of the Financial Accounting Standards Board or the Accounting Principles Board conflicts with or contradicts Governmental Accounting Standards Board pronouncements, Governmental Accounting Standards Board pronouncements will prevail.

“*Governmental Authority*” shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or quasi-governmental authority exercising control over JPMC or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

“*Guarantees*” means, as to any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

“*Holder*” shall mean JPMC and any other holder of a Bank Note or any Person to which JPMC or any such other holder sells a participation in a Bank Note (whether or not the City was given notice of such sale and whether or not the Holder has an interest in a Bank Note at the time amounts are payable to such Holder thereunder and under this Agreement).

“*Indemnified Taxes*” means Taxes other than Excluded Taxes.

“Interest Component” in respect of any Loan, shall mean the portion of such Loan determined pursuant to Section 2.01.

“Investment Policy” shall mean the City’s written investment policy adopted in accordance with Chapter 2256, Texas Government Code.

“Issuing and Paying Agent” shall mean the firm serving as issuing and paying agent for the Commercial Paper Notes pursuant to the terms of the Ordinance. As of the Effective Date, the Issuing and Paying Agent is U.S. Bank National Association, New York, New York.

“Issuing and Paying Agency Agreement” shall mean the Issuing and Paying Agent Agreement, dated as of September 1, 2014, between the City and the Issuing and Paying Agent, as amended, supplemented or otherwise modified from time to time.

“JPMC” or the *“Bank”* shall have the meaning set forth in the introductory paragraph hereto.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lending Office” means the office or offices of JPMC described as such on Schedule I attached hereto, or such other office or offices as JPMC may from time to time notify the City in writing.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” shall mean a Revolving Loan or a Term Loan made by JPMC to the City pursuant to Article II hereof.

“Material Adverse Effect” shall mean a material adverse change in, or a material adverse effect on, any of (a) the operations, business, properties, liabilities (actual or contingent), or condition (financial or otherwise) of the System, (b) the ability of the City to perform any of its other obligations under this Agreement or any of the other Related Documents, (c) the legality, validity or enforceability of this Agreement or any of the other Related Documents, (d) the rights and remedies of JPMC under this Agreement or any of the other Related Documents, or (e) the

creation, perfection or priority of the lien on any collateral securing the payment of principal of, and interest on, the Loans, arising under the Ordinance.

“*Maximum Interest Rate*” shall mean the maximum net effective interest rate permitted by Chapter 1204, Texas Government Code, to be paid on obligations issued or incurred by the City in the exercise of its borrowing powers.

“*Maximum Note Rate*” shall mean ten percent (10%).

“*Moody’s*” shall mean Moody’s Investors Service, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City.

“*Non-Issuance Instruction*” has the meaning set forth in Section 4.04 hereof.

“*Obligations*” means all advances to, and debts, liabilities, obligations, covenants and duties of, the City arising under any Related Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the City of any proceeding under any Debtor Relief Laws naming the City as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“*Offering Memorandum*” has the meaning set forth in the Ordinance.

“*Ordinance*” has the meaning in the recitals hereof.

“*Other Taxes*” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“*Outstanding*” (i) with respect to the Commercial Paper Notes, shall have the meaning assigned to such term in the Ordinance and (ii) with respect to Loans, means all Loans made by JPMC pursuant hereto and not repaid by the City.

“*Outstanding Prior Lien Bonds*” has the meaning set forth in the Ordinance.

“*Parity and Senior Debt*” means (i) any bonds, notes, certificates, debentures or other evidence of similar indebtedness issued by or on behalf of the City secured by Pledged Revenues, the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Notes, (ii) the obligations of the City under any Swap Contract (other than any termination payments under any Swap Contract) (the payment of which is secured by Pledged Revenues and which ranks senior to or on parity with the Commercial Paper Notes and the Bank Notes) providing interest rate support with respect to any indebtedness issued by or on behalf of the City, (iii) any obligation of the City as lessee under a capital lease the payment of which is

secured by Pledged Revenues and which ranks senior to or on parity with the Commercial Paper Notes and the Bank Notes (x) which is not subject to appropriation or abatement or (y) which is rated by each Rating Agency then rating the Commercial Paper Notes at a level equal to or higher than the unenhanced debt rating assigned by each such Rating Agency to the Commercial Paper Notes, and (iv) any Guarantee by the City the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Notes (*provided, however*, that the failure to pay any such Guarantee as a result of any set-off, recoupment, counterclaim or any other defense of the City shall not constitute a failure to pay Parity and Senior Debt for purposes of this Agreement).

“Parity Obligations” means any Debt of the City secured by a Lien on Pledged Revenues the payment of which ranks on parity with the Obligations.

“Participant” shall mean any Person, which in accordance with Section 8.06(b) hereof, shall participate in the benefits and obligations of JPMC hereunder pursuant to a participation agreement between JPMC and such Person.

“Person” shall mean an individual, a corporation, a partnership, an association, a limited liability company, a partnership, a trust, or any other entity or organization, including a Governmental Authority.

“Pledged Revenues” has the meaning set forth in the Ordinance.

“Prime Rate” shall mean shall mean the rate of interest announced by the Bank from time to time as its prime commercial rate or equivalent, as in effect on such day for United States dollar loans, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate. Each determination of the Prime Rate by the Bank shall be deemed conclusive and binding on the City absent manifest error.

“Principal Component” in respect of any Loan, shall mean the portion of such Loan equal to the principal amount of Commercial Paper Notes paid with the proceeds of such Loan.

“Prior Lien Bond Ordinance” has the meaning set forth in the Ordinance.

“Prior Lien Bonds” has the meaning set forth in the Ordinance.

“Project Notes” means, as appropriate, a Commercial Paper Note or all the Commercial Paper Notes other than any Bank Note.

“Rating Agencies” shall mean S&P and Moody’s.

“Related Documents” shall mean this Agreement, the Fee Letter, the Ordinance, the Offering Memorandum, the Issuing and Paying Agency Agreement, the Dealer Agreement, the Commercial Paper Notes, the Bank Notes, any written direction to the Issuing and Paying Agent

directing the issuance of Commercial Paper Notes or any exhibit or schedule to any of the foregoing.

“*Related Parties*” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person’s Affiliates.

“*Request for Loan*” shall mean a written borrowing request from the City, in substantially the form of Exhibit B hereto, with appropriate completions, executed by the Issuing and Paying Agent, which requests a Revolving Loan from JPMC.

“*Revolving Credit Period*” shall mean the period commencing on the Effective Date and ending on the Commitment Termination Date.

“*Revolving Loan*” shall mean each revolving loan made by JPMC to the City pursuant to Section 2.01(b) hereof.

“*S&P*” shall mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, or if such entity is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City.

“*Sanctions*” shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

“*Series D Bank Notes*” shall mean the CalSTRS Note and the State Street Bank Note, each as defined in the Series D Ordinance.

“*Series D Credit Agreement*” means that certain Credit Agreement dated as of March 1, 2012, by and among the City, State Street Bank and Trust Company, as agent and bank, and California State Teachers’ Retirement System, as bank, as amended and supplemented from time to time.

“*Series D Notes*” shall mean the commercial paper notes issued by the City under authority of the Series D Ordinance.

“*Series D Ordinance*” means Ordinance No. 27486 adopted on February 11, 2009, as amended and supplemented.

“*Special Events of Default*” shall mean the Events of Default described in Section 7.01(a)(i), (e)(ii), (f)(i), (g), (h)(i), (i) and (j)(ii).

“*Subordinated Obligations*” shall have the same meaning herein as in the Ordinance.

“*Substitution Date*” means the date of acceptance by the City of a substitute credit facility in accordance with the terms and provisions of the Ordinance.

“*Supplement*” shall mean any extension, renewal, modification, amendment, supplement and substitution.

“*Suspension Event*” shall mean the occurrence of an Event of Default pursuant to Section 7.01(h)(ii) hereof or a Default pursuant to Section 7.01(g)(ii) or (iii) hereof which causes the suspension of the obligations of JPMC hereunder.

“*Swap Contract*” means (a) any and all rate swap transactions, basis swaps, total return swaps, credit derivative transactions, forward rate transactions, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “*Master Agreement*”), including any such obligations or liabilities under any Master Agreement pursuant to which the Pledged Revenues are pledged or encumbered.

“*System*” shall have the meaning set forth in the Ordinance.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“*Term Loan*” shall mean each term loan made by JPMC to the City pursuant to Section 2.01(b) hereof on a Conversion Date.

Section 1.02. Other Interpretive Provisions. With reference to this Agreement and each other Related Document, unless otherwise specified herein or in such other Related Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Related Document), (ii) any reference

herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import when used in any Related Document, shall be construed to refer to such Related Document in its entirety and not to any particular provision thereof, (iv) all references in a Related Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Related Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Related Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Related Document.

Section 1.03. Accounting Terms. All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP.

Section 1.04. Interpretations. The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect. All references to time herein shall refer to local time in New York, New York.

Section 1.05. Rounding. Any financial ratios required to be maintained by the City pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

ARTICLE II

REVOLVING CREDIT; TERM LOANS

Section 2.01. Commitment to Lend. (a) *Generally.* The City hereby requests JPMC, and JPMC agrees, on the terms and conditions hereinafter set forth, to establish a revolving line of credit for the benefit of the City in an amount not to exceed the Commitment for the purpose of making Loans to fund the payment by the City of the principal of and interest on any

Commercial Paper Notes at the stated maturity thereof in accordance with this Agreement and the Ordinance.

(b) *Revolving Loans.* JPMC agrees, on the terms and conditions hereinafter set forth, to make available to the City during the Revolving Credit Period an amount at any one time outstanding not to exceed the amount of the Commitment. Each Revolving Loan under this Section 2.01(b) shall be made in such amount as may be requested by an Authorized Representative to enable the City to pay the principal of and interest on Commercial Paper Notes maturing on the date of such Revolving Loan. Notwithstanding anything herein to the contrary, JPMC shall have no obligation to make a Revolving Loan if the sum of such Revolving Loan plus the aggregate principal amount of the outstanding Revolving Loans and Term Loans would exceed the Commitment then in effect. Each Revolving Loan shall be in an aggregate principal amount equal to the Principal Component plus the Interest Component, if any, of such Revolving Loan. The aggregate Principal Component of all Revolving Loans made on any date shall not exceed the Available Principal Commitment on such date. The aggregate Interest Component of all Revolving Loans made on any date shall equal the lesser of (i) the Available Interest Commitment on such date and (ii) the actual aggregate amount of interest, if any, accrued on the Commercial Paper Notes to be paid with the proceeds of such Loan. The City may borrow under this Section 2.01(b), prepay under Section 2.07 hereof, and reborrow under this Section 2.01(b) at any time and from time to time during the Revolving Credit Period.

(c) *Term Loans.* JPMC agrees, on the terms and conditions hereinafter set forth, to make a Term Loan to the City on each Conversion Date in an amount equal to the outstanding principal amount of JPMC's Revolving Loan that matures on such Conversion Date; *provided, however,* that the aggregate outstanding principal amount of all Loans by JPMC shall at no time exceed the amount of the Commitment.

Section 2.02. Method of Borrowing. (a) *Revolving Loans.* (i) Pursuant to the Ordinance and the Issuing and Paying Agency Agreement, the City has authorized and directed the Issuing and Paying Agent to act as its agent in the issuance, authentication, delivery and payment of Commercial Paper Notes and in effecting borrowings under this Agreement to pay the maturing principal of and interest on Commercial Paper Notes. Each Revolving Loan shall be made upon the Issuing and Payment Agent's irrevocable notice, on behalf of the City, to JPMC, which may be given by telephone. JPMC must receive each such notice not later than 11:30 a.m. on the date of the proposed Revolving Loan (which date shall be a Business Day). Each telephonic notice by the Issuing and Paying Agent, on behalf of the City, pursuant to this Section 2.02(a)(i) must be confirmed promptly by delivery to JPMC of a Request for Loan appropriately completed and signed by the Issuing and Paying Agent. Each Request for Loan (whether telephonic or written) shall specify (i) the requested date of the Revolving Loan (which shall be a Business Day) and (ii) the principal amount of Revolving Loans to be borrowed and (iii) whether such Loan will be used to pay the principal of, or interest on, the Commercial Paper Notes. Subject to the conditions set forth in this Section and in Section 4.02 hereof, JPMC agrees to honor a Request for Loan received on any date it has delivered a Non-Issuance Instruction pursuant to Section 4.04 hereof that is also a date upon which Commercial Paper Notes are due and payable by making the Revolving Loan requested in accordance with this paragraph (a)(i). Any Request

for Loan received by JPMC shall be irrevocable and binding upon the Issuing and Paying Agent and the City.

(ii) If JPMC is requested to make Revolving Loans hereunder on a day on which the City is to repay all or any part of the principal of outstanding Revolving Loans (“*Existing Revolving Loans*”), JPMC shall apply the proceeds of the requested Revolving Loans to repay such Existing Revolving Loans and only an amount equal to the excess (if any) of the principal amount of such Revolving Loans being borrowed over the outstanding principal of and accrued interest on such Existing Revolving Loans shall be made available by JPMC to the City.

(b) *Term Loans.* Subject to the satisfaction of the terms and conditions of Section 4.03 hereof, on each Conversion Date any unpaid principal amount of a Revolving Loan on such Conversion Date shall automatically convert into a Term Loan and the proceeds of such Term Loan shall be used to pay in full the related Revolving Loan.

Section 2.03. Repayment; Bank Note. (a) Each Revolving Loan shall be paid in full on the earliest of the following (the “*Conversion Date*”): (i) the date occurring 91 days after the date of such Revolving Loan, (ii) the Commitment Termination Date and (iii) the Business Day when Commercial Paper Notes are sold to fund such repayment pursuant to Section 6.25 hereof. Notwithstanding the foregoing, the Interest Component of each Revolving Loan, if any, shall be due and payable on the date such Loan is made.

(b) The principal of each Term Loan shall be repaid in full no later than the Final Maturity Date. The principal amount of each Term Loan shall be payable in equal, quarterly installments, commencing on the date which is three months immediately following the Conversion Date for such Term Loan and continuing on each three month anniversary of such Conversion Date to and including the Final Maturity Date for such Term Loan. Notwithstanding the foregoing, the aggregate principal amount of, and interest on, all Loans shall be repaid on or before the Final Maturity Date.

(c) Each Loan made by JPMC shall be evidenced by a Bank Note, payable to the order of JPMC and in the principal amount equal to its Commitment. The Bank Note shall bear interest and shall be due and payable on the dates, in the amounts, and under the circumstances set forth herein and in the Bank Note.

(d) JPMC shall record, and prior to any transfer of its Bank Note shall endorse on the schedules forming a part thereof, appropriate notations to evidence the date, amount, type and maturity of each Loan made by it and the date and amount of each payment of principal made by the City with respect thereto; *provided, however,* that the failure of JPMC to make any such recordation or endorsement shall not affect the obligations of the City hereunder or under the Bank Note. In any legal action or proceeding in respect of this Agreement or the Bank Notes, the notations made on the Bank Notes or as provided by JPMC’s accounting records shall be presumptive evidence of the existence and amount due thereunder, absent of manifest error. JPMC is hereby authorized by the City so to endorse the Bank Note and to attach to and make a part of the Bank Note a continuation or substitution of any such schedule as and when required.

Section 2.04. Interest. (a) Subject to the provisions of subsection (b) below, the City shall pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the Bank Rate, payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of such Loan), on the Commitment Termination Date, on the Final Maturity Date and on the date any Loan shall be paid or prepaid.

(b) (i) During the continuance of an Event of Default and if any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall hereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the City under any Related Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of JPMC, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of JPMC, while any Event of Default exists, the City shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest, to the extent permitted by law) shall be due and payable upon demand.

(c) Anything in this Agreement to the contrary, in no event shall the rate of interest payable by the City on any Obligation incurred hereunder exceed the Maximum Interest Rate. If the rate of interest payable on any Obligation incurred by the City hereunder shall exceed the Maximum Interest Rate for any period for which interest is payable, then (i) interest at the Maximum Interest Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Interest Rate (the "*Excess Interest*"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Interest Rate, at which time the City shall pay to JPMC with respect to amounts then payable to JPMC that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to JPMC to equal the Maximum Interest Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to JPMC. Upon the termination of the Commitment and this Agreement, in consideration for the limitation of the rate of interest otherwise payable hereunder, to the extent permitted by the Laws of the State of Texas, the City shall pay to JPMC a fee equal to the amount of all unpaid deferred Excess Interest.

(d) All computations of interest based on JPMC's "base" or "prime" rate shall be made by the JPMC on the basis of a year of 365 or 366 days, as the case may be, and all other computations of fees and interest shall be made by JPMC, on the basis of a year of 365 or 366 days, as the case may be, in each case for the actual number of days (including the first day but excluding the last day in the case of interest) occurring in the period for which such interest or fee is payable. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, *provided* that any Loan that is repaid on the same day on which it is made shall bear interest for one day. Each determination by JPMC of an interest rate or fee hereunder shall be conclusive and binding on all parties for all purposes, absent demonstrable error. In addition, any calculation made pursuant to this Section 2.04(d) that would cause the interest paid, payable or accruing on the indebtedness of the City under this Agreement and the Bank Notes to exceed the Maximum Interest Rate shall be adjusted so as to reduce the interest paid, payable and accruing hereunder to such Maximum Interest Rate, as more fully set forth in Section 2.04(c) hereof. All sums paid or agreed to be paid to JPMC for the use, forbearance or detention of the indebtedness evidenced by the Bank Notes shall, to the extent permitted by law, be amortized, prorated, allocated and spread throughout the full term of such Bank Note. Each determination by JPMC of an interest rate or fee hereunder shall be conclusive and binding on all parties for all purposes, absent manifest error.

Section 2.05. Fees. The City hereby agrees to perform the obligations provided for in the Fee Letter, including, without limitation, the payment of any and all fees provided for therein. The terms of the Fee Letter are incorporated herein by reference.

Section 2.06. Termination or Reduction of Commitment. Notwithstanding any provisions of this Agreement to the contrary, the City agrees not to terminate this Agreement or reduce the Commitment prior to the Commitment Termination Date, except upon (i) the payment by the City to JPMC of the Termination Fee or Reduction Fee, as applicable, in the amount set forth in the Fee Letter, (ii) the payment to JPMC of all Obligations payable hereunder and (iii) the City providing JPMC with 30 days prior written notice of its intent to terminate this Agreement or reduce the Commitment; *provided* that all payments to JPMC referred to in clauses (i) and (ii) above shall be made in immediately available funds; *provided, however,* that any such termination of this Agreement shall be in compliance with the terms and conditions of the Ordinance. The City agrees that any termination of this Agreement as a result of the provision of any substitute facility pursuant to the terms of the Ordinance will require, as a condition thereto, that the City or the issuer of such facility will provide funds on the date of such termination or provision in an amount sufficient to pay in full at the time of termination all Obligations due and owing to JPMC hereunder.

(b) The Commitment shall terminate on the Commitment Termination Date. All Revolving Loans then outstanding (together with accrued interest thereon) shall be due and payable on the Commitment Termination Date, unless such Loans have been converted into Term Loans pursuant to the provisions of this Agreement.

(c) If the Commitment is terminated in its entirety, all accrued Facility Fees shall be payable on the effective date of such termination. If the amount of the Commitment is reduced,

the Commitment Fee that has accrued on the amount by which the Commitment has been reduced shall be payable on the effective date of such reduction.

(d) In the event where the Dealer is selling new Commercial Paper Notes in order to pay off maturing Commercial Paper Notes and the City directs the Issuing and Paying Agent not to issue such Commercial Paper Notes up to the Maximum Note Rate, or otherwise limits the interest rate on an issuance of such Commercial Paper Notes to a rate of interest less than the Maximum Note Rate and, as a result of these actions, the Commercial Paper Notes are not sold, a Loan is incurred and thus JPMC is not reimbursed for a Loan the proceeds of which were used to pay the maturing Commercial Paper Notes, then the Commitment shall be permanently reduced by such principal amount and the City shall repay the related Loan within 30 days.

Section 2.07. Prepayments.

(a) *Optional Prepayments.* The City may, upon notice to JPMC at any time or from time to time voluntarily prepay any Loan in whole or in part at any time, without penalty or premium, each such prepayment to be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid, *provided* that (i) each partial prepayment shall be in a principal amount equal to at least \$1,000,000 and any integral multiple of \$100,000 in excess of \$1,000,000, and (ii) the City shall give JPMC written notice of prepayment at least one Business Day prior to the date of the prepayment of a Loan. Each notice of prepayment shall be irrevocable and shall specify the date and the amount of the prepayment and identify the Loan to be prepaid.

(b) *Mandatory Prepayments.* If on any date (A) the sum of the aggregate principal amount of outstanding Loans exceeds the amount of the Commitment, the City shall immediately prepay the Loans in an amount equal to such excess, (B) the aggregate principal amount of outstanding Commercial Paper Notes exceeds the amount of the Available Commitment, the City shall immediately prepay the Loans in an amount equal to such excess, or (C) any Commercial Paper Notes are sold to finance the repayment of a Loan, the City shall immediately prepay any outstanding Loans (if any) in an amount equal to the sum of the proceeds from such sale. Each such prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

(c) *Application.* Any amount of principal of a Revolving Loan prepaid may be reborrowed in accordance with Section 2.01 hereof. Any amount of principal of a Term Loan prepaid shall be applied to reduce the installments of principal due and payable hereunder with respect to such Term Loan in the inverse order of maturity.

Section 2.08. General Provisions as to Payment. The following general provisions shall apply to all payments of Facility Fees, payments on the Loans and the Bank Notes and all other payment Obligations under this Agreement:

(a) JPMC shall calculate and notify the City in writing of the amounts payable by the City hereunder; *provided, however*, that the failure of JPMC to provide such notice shall not affect the obligations of the City to make any payments owed to JPMC

hereunder. All payments to be made by the City shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the City hereunder shall be made to JPMC to which such payment is owed, at JPMC's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. All payments received by JPMC after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the City shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) *Funding Source.* Nothing herein shall be deemed to obligate JPMC to obtain the funds for any Loan in any particular place or manner or to constitute a representation by JPMC that it has obtained or will obtain the funds for any Loan in any particular place or manner.

Section 2.09. Extension of Revolving Credit Period. No more than 120 days prior to the Commitment Termination Date (the "*Deadline*"), the City may request in writing to JPMC (each such request being irrevocable) an extension of the Commitment Termination Date. If the City shall make such a request prior to the Deadline, JPMC shall, within 45 days of such request, notify the City in writing whether or not it consents to such request and the terms and conditions upon which it will consent to such request (including conditions relating to pricing and legal documentation). JPMC shall have no obligation whatsoever to consent to any request for an extension of the Commitment Termination Date, and any such extension shall be subject to approval by JPMC. If JPMC shall not notify the City of its consent to such extension, JPMC shall be deemed to have rejected the City's request for an extension. If JPMC (in its sole and absolute discretion) shall agree to extend the Commitment Termination Date, then JPMC and the City shall enter into an amendment of this Agreement and deliver a copy of any such amendment, executed by the parties thereto, to the Issuing and Paying Agent, the Dealer and each Rating Agency then rating the Commercial Paper Notes.

Section 2.10. Obligations Absolute. The obligations of the City under this Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, any of the Bank Notes or any other Related Document, or any other instrument, agreement or other document executed and delivered by the City in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by the City in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; (iv) the making of a Loan after the delivery of a Request for Loan that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense or other rights which the City may have at any time against the Issuing and Paying Agent (or any Person for whom the Issuing and Paying Agent may be acting), any Holder, the Dealer, JPMC or any

other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance which might constitute a legal or equitable discharge of any obligations hereunder (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

Section 3.01. Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the City hereunder or under any other Related Document shall to the extent permitted by applicable Laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable Laws require the City or JPMC to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Laws as determined by the City or JPMC, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the City or JPMC shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) JPMC shall withhold or make such deductions as it shall determine to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) JPMC shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the City shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) JPMC receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the City. Without limiting the provisions of subsection (a) above, the City shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Laws.

(c) Tax Indemnifications. (i) Without limiting the provisions of subsection (a) or (b) above, the City shall, and does hereby, to the extent permitted by the Laws of the State of Texas, indemnify JPMC and shall make payment in respect thereof within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the City or JPMC, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental

Authority. A certificate as to the amount of any such payment or liability delivered to the City by JPMC shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, JPMC shall, and does hereby, indemnify the City, and shall make payment in respect thereof within 10 days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the City) incurred by or asserted against the City by any Governmental Authority as a result of the failure by JPMC to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by JPMC to the City pursuant to subsection (e). The agreements in this clause (ii) shall survive the replacement of JPMC, the termination of the Commitment and the repayment, satisfaction or discharge of all other Obligations.

(d) *Evidence of Payments.* Upon request by the City or JPMC, as the case may be, after any payment of Taxes by the City or by JPMC to a Governmental Authority as provided in this Section 3.01, the City shall deliver to JPMC or JPMC shall deliver to the City, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the City or JPMC, as the case may be.

(e) *Status of JPMC; Tax Documentation.* (i) JPMC shall deliver to the City, at the time or times prescribed by applicable Laws or when reasonably requested by the City, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the City to determine (A) whether or not payments made hereunder or under any other Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) JPMC's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to JPMC by the City pursuant to this Agreement or otherwise to establish JPMC's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the City is resident for tax purposes in the United States, JPMC shall deliver to the City executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the City as will enable the City to determine whether or not JPMC is subject to backup withholding or information reporting requirements.

(iii) JPMC shall promptly (A) notify the City of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of JPMC, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable Laws of any jurisdiction that the City make any withholding or deduction for taxes from amounts payable to JPMC.

Section 3.02. Increased Costs.

(a) *Increased Costs Generally.* In the event that after the date of the execution hereof the application, enactment of, or any change in, any law, rule, regulation, treaty, guideline or directive, or the occurrence of the effective date of any law, rule, regulation, treaty, guideline or directive, or any provision thereof enacted or adopted on the date of the execution hereof but which has not yet become effective, or the application, interpretation or enforcement of any of the foregoing by any court, central bank, administrative or other Governmental Authority charged with the authority thereof (whether or not having the force of law) shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Revolving Note, the Term Note or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Revolving Note, the Term Note or any Banking Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Revolving Note, the Term Note or any Banking Arrangements;

and the result of any of the foregoing shall be to increase the cost to the Bank of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank similar to those of the City, of the aggregate of such cost increases or yield reductions resulting from such event), then, to the extent permitted by law, the City shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank for all such increased costs or reductions in yield and shall be paid to the Bank as provided for in clause (d) below.

(b) *Capital Adequacy.* If the Bank shall have determined that the adoption of any law, rule, regulation or guideline (whether or not having the force of law) regarding capital adequacy by any governmental authority having regulatory jurisdiction over the Bank, or any

change in applicable law, rule, regulation or guideline, as the case may be, or any change in the enforcement or interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof, or compliance by the Bank (or any lending office thereof) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, to the extent permitted by law, the City shall pay to the Bank from time to time, as specified by the Bank, such additional amount or amounts as will compensate the Bank for such reduction from the date of such adoption, change or compliance with respect to such law, rule, regulation, guideline, request or directive, together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full as provided in clause (d) below.

(c) *Changes in Law.* Notwithstanding the foregoing, for purposes of this Section 3.02, (a) all requests, rules, guidelines or directives in connection with the Dodd-Frank Act shall be deemed to be a Change in Law, regardless of the date enacted, adopted or issued, and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or any Governmental Authority shall be deemed a Change in Law regardless of the date enacted, adopted or issued.

(d) *Certificates for Reimbursement.* A certificate of the Bank setting forth the amount or amounts necessary to compensate the Bank or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the City shall be conclusive absent manifest error. The City shall pay to the Bank the amount shown as due on any such certificate within 10 days after receipt thereof and any amount outstanding after such due date shall accrue interest at the Default Rate.

(e) *Delay in Requests.* Failure or delay on the part of the Bank to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of the Bank's right to demand such compensation, *provided* that the City shall not be required to compensate the Bank pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that the Bank notifies the City of the Change in Law giving rise to such increased costs or reductions and of the Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

Section 3.03. Mitigation Obligations. If JPMC requests compensation under Section 3.02, or the City is required to pay any additional amount to JPMC or any Governmental Authority for the account of JPMC pursuant to Section 3.01, or if JPMC gives a notice pursuant to Section 3.02, then JPMC shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of JPMC, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to

Section 3.01 or 3.02, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject JPMC, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to JPMC, as the case may be. The City hereby agrees to pay all reasonable costs and expenses incurred by JPMC in connection with any such designation or assignment.

Section 3.04. Survival. All of the City's obligations under this Article III shall survive termination of the Commitment and repayment of all other Obligations hereunder.

ARTICLE IV

CONDITIONS

Section 4.01. Conditions to Closing and Effectiveness of this Agreement. JPMC's obligation to make Loans in accordance with Section 2.01 hereof shall become effective on the Effective Date subject to the satisfaction of conditions in this Section 4.01.

(a) JPMC shall have received on or before the Effective Date the following, each in form and substance satisfactory to JPMC and its counsel and, unless otherwise indicated, dated the Effective Date:

(i) a certified copy of the Ordinance authorizing the City's commercial paper program, the terms and conditions of the Commercial Paper Notes, authorizing the issuance of the Commercial Paper Notes and the City's execution, delivery and performance of this Agreement and the Related Documents, which certificate shall state that the Ordinance have not been amended, repealed or rescinded, and is in full force and effect on the Closing Date;

(ii) the annual financial statements of the City for each of the fiscal years ended September 30, 2012 and September 30, 2013;

(iii) the approving opinion of the Attorney General of Texas with respect to the proceedings relating to this Agreement;

(iv) a counterpart of this Agreement, duly executed by the City and JPMC;

(v) a duly executed original of each Bank Note, complying with the provisions of Section 2.03 hereof and substantially in the form of Exhibit C hereto;

(vi) executed copies of the Related Documents;

(vii) a certificate of an Authorized Representative, certifying that all conditions precedent set forth in the Ordinance with respect to issuance of the Commercial Paper Notes shall have been satisfied;

(viii) a certificate of the Chief Financial Officer of the City, which shall certify, among other things, (A) as to the matters described in paragraph (c) below and (B) that all conditions in this Section 4.01 have been satisfied (with the exception of 4.01(a)(xiii) and 4.01(c) hereof);

(ix) (A) opinions of Co-Bond Counsel, addressed to JPMC in form and substance satisfactory to JPMC and its counsel and (B) an opinion of the City Attorney, on which JPMC may rely, substantially in the form of Exhibit D hereto, with such changes, modifications, deletions, or additions as may be acceptable to the City Attorney and counsel for the recipients thereof;

(x) certified copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any Governmental Authority required for the City to enter into this Agreement and the Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions contemplated hereby and by the Related Documents;

(xi) a certificate of an Authorized Representative, certifying the names and true signatures of the officers of the City authorized to sign this Agreement, the Bank Notes and the other Related Documents;

(xii) such financial information, budgets, projections, investment policies and guidelines for permitted investments of the City as JPMC may reasonably request;

(xiii) such other documents, opinions, or certificates reasonably requested by JPMC; and

(xiv) written confirmation that the Commercial Paper Notes have been rated "P-1" by Moody's and "A-1" by S&P.

(b) (i) The representations and warranties contained in Article V of this Agreement and in each other Related Document and certificate or other writing delivered to JPMC pursuant hereto on or prior to the Effective Date shall be true and correct in all material respects on and as of the Effective Date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct in all material respects as of such date); (ii) no Event of Default or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default shall have occurred and be continuing on the Effective Date; (iii) since September 30, 2013, there has been no material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of the City; and (iv) all conditions precedent in this Article IV have been satisfied.

(c) The effectiveness of this Agreement, the making of a Loan and the consummation of the other transactions contemplated by this Agreement and the Ordinance shall not contravene any law, rule or regulation applicable to the City or JPMC or any request, guideline or directive

(or the interpretation or administration of any of the foregoing) of any Governmental Authority with jurisdiction over either the City or JPMC.

(d) All proceedings in connection with this Agreement, and all documents incidental thereto, shall be satisfactory to JPMC and its counsel.

Section 4.02. Conditions to Revolving Loans. The obligation of JPMC to make any Revolving Loan is subject to the satisfaction of each condition in Section 4.01 hereof on or prior to the Effective Date, receipt by JPMC of a Request for Loan in accordance with Section 2.02(a) hereof and the satisfaction of the further condition that no Special Event of Default or Suspension Event shall have occurred and be continuing. In addition, JPMC shall have no obligation to make a Revolving Loan to the City to pay the principal of or interest on any Commercial Paper Note that was issued by the City after receipt by the Issuing and Paying Agent and the City of a Non-Issuance Instruction. The making of each Loan hereunder shall be deemed to be a representation and warranty by the City on the date of such borrowing that no Special Event of Default or Suspension Event shall have occurred or be continuing.

Section 4.03. Conditions to Term Loan. The obligation of JPMC to make any Term Loan is subject to: (i) the representations and warranties contained in Article V hereof and in each other Related Document and certificate or other writing delivered to JPMC pursuant hereto on or prior to the applicable Conversion Date shall be true and correct in all material respects on and as of the applicable Conversion Date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct in all material respects as of such date); (ii) no Default or Event of Default shall have occurred and be continuing on the applicable Conversion Date; and (iii) JPMC shall have received a certificate, signed by an Authorized Representative and dated the applicable Conversion Date, confirming that all of the foregoing conditions have been satisfied.

Section 4.04. Conditions Precedent to Each Note Issuance. No Commercial Paper Note shall be issued unless on the date of such issuance, each of the following conditions precedent shall have been fulfilled in a manner satisfactory to JPMC (or waived by JPMC in writing):

(a) *Representations and Warranties, No Event of Default.* The representations and warranties of the City contained herein, each other Related Document and each certificate or other writing delivered to JPMC pursuant hereto or thereto on or prior to the date of such issuance shall be true and correct in all material respects on and as of such date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct in all material respects as of such date), and no Event of Default or Default shall have occurred and be continuing on such date or would result from such issuance.

(b) *Commercial Paper Notes.* All conditions precedent for the issuance of the Commercial Paper Notes hereunder and under the Ordinance shall have been satisfied.

(c) *Ordinance.* The Ordinance shall be in full force and effect.

(d) *Governmental Approvals.* No registration, notice, qualification or other filing is required to be made with any Governmental Authority in connection with the issuance of the Commercial Paper Notes or, if required to be made, has been or will be made prior to the date of such issuance.

(e) *Non-Issuance Instruction.* JPMC shall not have given a Non-Issuance Instruction.

(f) *Available Commitment.* After the issuance of the Commercial Paper Notes, the aggregate principal amount of all Commercial Paper Notes that will be outstanding immediately after such issuance together with the interest that will accrue thereon will not exceed the amount of the Available Commitment.

Unless the City shall have previously advised JPMC in writing that one or more conditions set forth in subsections (a), (b), (c), (d) and (f) of this Section 4.04 have not been satisfied, the City shall be deemed to have represented and warranted that on the date of such issuance or authentication of any Commercial Paper Note the above conditions have been satisfied. JPMC may deliver a notice to the Issuing and Paying Agent and to the City, in the form of Exhibit A attached hereto directing the City not to issue and the Issuing and Paying Agent not to authenticate any Commercial Paper Note (a “*Non-Issuance Instruction*”), at any time that JPMC shall have determined that any condition to the issuance of any Commercial Paper Note has not been satisfied. The Non-Issuance Instruction may be delivered by telecopy, by mail or by messenger, and may also be given by telephone if promptly confirmed in writing, *provided* that the failure to confirm such Non-Issuance Instruction promptly in writing shall not render any telephonic notice ineffective or invalid in any respect. Upon receipt of such Non-Issuance Instruction, the City shall not issue and the Issuing and Paying Agent shall not authenticate any Commercial Paper Note, in each case unless and until JPMC rescinds such Non-Issuance Instruction. The City shall use its best efforts to cause the Issuing and Paying Agent to comply immediately with any such Non-Issuance Instruction. JPMC shall not incur any liability as a result of JPMC’s giving any Non-Issuance Instruction that, in its good faith judgment, JPMC determines to be in accordance with this Section 4.04. JPMC agrees that if, after the delivery of a Non-Issuance Instruction, JPMC determines that the conditions to the issuance of any Commercial Paper Note have been satisfied and JPMC has received a notice from an Authorized Representative to such effect, then JPMC shall promptly deliver a notice (a copy of which shall be delivered by JPMC to the City and the Dealer) to the Issuing and Paying Agent, rescinding such Non-Issuance Instruction.

Notwithstanding the foregoing, the City shall provide no fewer than ninety (90) days’ written notice to JPMC of its intention to increase the amount of the Commercial Paper Notes outstanding; provided, that the failure of the City to provide such written notice, or the issuance of Commercial Paper Notes in excess of the amount reflected in the notice, shall not result, in and of itself, in JPMC having the ability to issue a Non-Issuance Instruction. Failure to provide notice as provided above shall not constitute a Default or an Event of Default hereunder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

To induce JPMC to enter into this Agreement, extend the Commitment and make Revolving Loans and Term Loans, the City represents and warrants to JPMC on the Effective Date and on the date of each Revolving Loan and Term Loan that:

Section 5.01. Authorization; No Conflict. The execution and delivery of this Agreement, the execution and delivery of the Bank Notes, the authorization and issuance of the Commercial Paper Notes, the execution and delivery of the other Related Documents, any borrowings represented by the Revolving Loans and Term Loans hereunder and the performance by the City of its obligations under this Agreement, the Bank Notes and the Related Documents, are within the City's powers, have been duly authorized by all necessary governmental action, have received all necessary approval (if any shall be required), and do not and will not contravene or conflict with any provision of law or of the Constitution of the State of Texas or of any agreement binding upon the City.

Section 5.02. Validity and Binding Nature; Commercial Paper Notes and Bank Note Special Obligations of City. This Agreement, the Bank Notes (to the extent Revolving Loans and Term Loans are made thereunder), and the Related Documents are, and the Commercial Paper Notes when issued will be, legal, valid, and binding obligations of the City enforceable against the City in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, or other similar laws affecting the enforceability of the rights of creditors generally. The Bank Notes (to the extent Revolving Loans or Term Loans are made hereunder) are, and the Commercial Paper Notes when issued will be, the special obligations of the City payable from and secured solely by the funds pledged therefor pursuant to the Ordinance. To provide for the payment of the principal of and interest on the Notes, the Bank Notes and any other amounts due under this Agreement and the Fee Letter as the same shall become due and payable, the Ordinance grants a lien on and pledge of, subject only to the provisions of the Ordinance permitting the application thereof for purposes and on the terms and conditions set forth therein, (i) the proceeds from (A) the sale of Prior Lien Bonds or Subordinated Obligations of the City issued for such purpose and (B) the sale of Notes issued pursuant to the Ordinance for such purpose, (ii) Loans, (iii) the amounts held in the Series E Note Payment Fund (created under Section 2.09 of the Ordinance) until the amounts deposited therein are used for authorized purposes, *provided, however*, amounts in the Series E Note Payment Fund attributable to and derived from Loans shall be used only to pay, prior to any application to the payment of any Bank Note, the principal of and interest on the Project Notes in full, and (iv) the amounts remaining on deposit in the Series E Note Construction Account (created under Section 2.11 of the Ordinance) after payment of all Project Costs (as defined in the Ordinance). Additionally, to provide security for the payment of the principal of and interest on any obligation incurred under this Agreement and the Fee Letter that results in the delivery of Bank Notes and any other amounts due under this Agreement and the Fee Letter as the same shall become due and payable, the Ordinance grant a lien on and pledge of the Pledged Revenues, subject only to the provisions of the Ordinance permitting the application thereof for purposes and on terms and conditions set forth therein, such lien on and pledge of Pledged

Revenues to the Bank Notes and other amounts due under this Agreement and the Fee Letter, however, being subordinate only to the lien and pledge of the Pledged Revenues securing the payment of the Prior Lien Bonds and the debt service and reserve funds relating thereto.

Section 5.03. Litigation and Continuing Liabilities. No litigation, arbitration proceedings, or governmental proceedings are pending or threatened against the City or the System which question or seek to limit the right, power, or authority of the City to operate the System, to enter into this Agreement, to issue the Bank Notes, to issue the Commercial Paper Notes, to enter into the other Related Documents or to perform any of its obligations under this Agreement, the Bank Notes or the Related Documents or that would, if adversely determined, materially and adversely affect the financial condition of the System.

Section 5.04. Governmental Approval. No approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency, authority or Person not already obtained or made is required on the part of the City in connection with the execution and delivery by the City or the performance of any of its obligations under this Agreement, the Bank Notes or the Related Documents.

Section 5.05. Lien in Favor of JPMC. The obligations of the City to JPMC under this Agreement, the Fee Letter and the Bank Note are secured by a valid lien on and pledge of the Pledged Revenues in favor of JPMC, which lien thereon shall be subordinate only to the Prior Lien Bonds and the debt service and reserve funds relating thereto. The lien on and pledge of the Pledged Revenues in favor of JPMC shall be for the equal and proportionate benefit of the Bank Note, all obligations and amounts payable to the JPMC under (i) this Agreement, (ii) the Fee Letter and (iii) the Bank Note, and the obligations of the City under the Series D Bank Notes, all of which shall be of equal rank without preference, priority or distinction, as to the lien or otherwise. Chapter 1208, Texas Government Code provides that no filing, registering, recording or publication of the Ordinance or any other instrument is required to establish a pledge of Pledged Revenues under the Ordinance or to perfect, protect or maintain the lien created thereby on the Pledged Revenues. In the event Chapter 1208, Texas Government Code is amended at any time while any obligations remain outstanding under the Agreement, the Fee Letter or the Bank Note, such that the lien on the Pledged Revenues is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, the City agrees to take such action to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, to maintain perfection of the lien on the Pledged Revenues.

Section 5.06. Defaults. The City is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its Debt secured by Pledged Revenues, or (iv) any contract, agreement or instrument to which it, acting on behalf of the System, is a party or by which it or the property of the System is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), or results of operations of the System or an adverse effect on the validity or enforceability of, or the authority or ability of the City to perform its obligations under, this Agreement and the Related Documents; and no event has occurred which with the giving of notice or the passage of time or

both would constitute such a default. No Default or Event of Default has occurred or is continuing hereunder.

Section 5.07. Financial Statements. The Audited Financial Statements all examined and reported by nationally recognized independent certified public accountants or the auditor general of the State of Texas, as heretofore delivered to JPMC, fairly present the financial condition of the City, in all material respects, as of said dates and the results of the operations of the City for each such periods, respectively, and have been prepared in accordance with GAAP except as stated in the notes thereto. As of the date hereof, the City has no contingent liabilities, which are material to it other than as indicated on such financial statements or as otherwise disclosed to JPMC in writing. Since the date of the Audited Financial Statements, there have been no material adverse changes in the financial condition of the City nor has any event occurred which could reasonably be expected to result in a Material Adverse Effect.

Section 5.08. Complete and Correct Information. All information, reports, and other papers and data with respect to the System furnished by the City to JPMC in connection with this Agreement were, at the time the same were so furnished, complete and correct in all material respects, to the extent necessary to give JPMC a true and accurate knowledge of the subject matter. No document furnished or statement made by the City in connection with the negotiations, preparation, or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading.

Section 5.09. Other Documents. The representations and warranties made by the City in each of the Related Documents to which it is a party are hereby incorporated herein by this reference and are hereby reaffirmed and restated by the City for the benefit of JPMC as if such representations and warranties were fully set forth herein. Except as otherwise provided herein, no amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Related Documents to which it is a party shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of JPMC.

Section 5.10. Regulation U. The City is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and will not use the proceeds of the Commercial Paper Notes or any Loans made hereunder so as to violate Regulation U as it may be amended or interpreted from time to time by the Board of Governors of the Federal Reserve System.

Section 5.11. Legislation. No legislation has been enacted which in any way materially adversely affects or which prohibits (i) the issuance or delivery of the Commercial Paper Notes, (ii) the execution and delivery of this Agreement or any of the Related Documents to which the City is a party, (iii) the creation, organization or existence of the City or the titles to office of any officers thereof, or (iv) the power of the City to perform its obligations under the Act, or under this Agreement or any of the Related Documents to which the City is a party.

Section 5.12. Issuance of Commercial Paper Notes. Each issuance of Commercial Paper Notes by the City shall be deemed a representation by the City that (a) the City has complied in all material respects with all of the terms and provisions of this Agreement, (b) on such date, and after giving effect to the issuance of the Commercial Paper Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of the City contained in this Agreement are true and correct in all material respects on and as of the date of issuance of the Commercial Paper Notes in question as though made on and as of such date, and (d) the aggregate amount of Commercial Paper Notes Outstanding, together with accrued interest thereon to maturity, after issuance of the Commercial Paper Notes will not exceed the Available Commitment.

Section 5.13. Tax-Exempt Status. The City has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Commercial Paper Notes from gross income for Federal income tax purposes.

Section 5.14. Environmental Matters. The City has not received notice to the effect that the System is not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the assets, financial condition, or operations of the City or its ability to perform its obligations under the Related Documents.

Section 5.15. Usury. The terms of this Agreement and the Related Documents regarding the calculation and payment of interest and fees (except the fee described in Section 2.04(c), relating to the categorization of unpaid deferred Excess Interest as a fee, to which no representation is made) do not violate any applicable usury laws.

Section 5.16. ERISA. The City does not maintain or contribute to, and has not maintained or contributed to, any Employee Plan that is subject to Title IV of ERISA.

Section 5.17. Solvency. The City is solvent and able to pay its debts as they become due.

Section 5.18. Existence, Qualification and Power; Compliance with Laws. The City (a) is duly organized and validly existing under the provisions of the Constitution and laws of the State of Texas, and (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its governmental purposes and (ii) execute, deliver and perform its obligations under the Related Documents to which it is a party.

Section 5.19. Compliance with Laws. The City is in compliance in all Laws, ordinances, orders, rules and regulations applicable to it (including environmental laws and ERISA), except to the extent noncompliance could not reasonably be expected to result in a Material Adverse Effect.

Section 5.20. Paying Agent/Registrar; Dealer. U.S. Bank National Association (or a successor or assign approved in writing by JPMC, provided that written approval shall not be required in circumstances of succession or assignment due to merger, consolidation or other similar action) is the duly appointed and acting Issuing and Paying Agent, and J.P. Morgan Securities LLC (or a successor or assign approved in writing by JPMC, provided that written approval shall not be required in circumstances of succession or assignment due to merger, consolidation or other similar action) is the duly appointed and acting Dealer.

Section 5.21. Anti-Corruption Laws and Sanctions. To the best of the undersigned's knowledge, the City and its councilmembers, officers and employees are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. To the knowledge of the City, no Revolving Loan, Term Loan, use of proceeds or other transaction contemplated by this Agreement will be used in a manner that would violate Anti-Corruption Laws or applicable Sanctions.

ARTICLE VI

COVENANTS OF THE CITY

From the Effective Date and so long as JPMC is obligated to make Revolving Loans or Term Loans hereunder and under the Bank Notes and until the payment in full of all of the obligations of the City under this Agreement and the Bank Notes, the City shall, unless JPMC otherwise consents in writing:

Section 6.01. Maintenance of Existence. Take all steps within its control to maintain and preserve its existence as a public body corporate and politic and not merge or consolidate into any other Person.

Section 6.02. Maintenance of Rating. Use its best efforts to cause the Prior Lien Bonds to be continuously rated by at least one nationally recognized municipal bond rating agency.

Section 6.03. Use of Proceeds. Expend the proceeds of each Revolving Loan and Term Loan solely for the purposes permitted by this Agreement and the Ordinance and as stated in the Request for Loan with respect thereto. The City shall adhere to the terms of the Investment Policy in effect as of the date hereof and will promptly notify JPMC in writing of any changes thereto. The City shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System. The City shall not use the proceeds of the Commercial Paper Notes for any purpose other than as provided for in the Ordinance and not in contravention of applicable Law. The City shall not request a Revolving Loan or Term Loan hereunder, and the City shall not use, and shall procure that the Issuing and Paying Agent and its respective directors, officers, employees and agents shall not use, the proceeds of any proceed

from the Revolving Loan or Term Loan (a) in violation of any Anti-Corruption Laws or (b) in any manner that would result in the violation of any Sanctions applicable to the City.

Section 6.04. Other Obligations. The City agrees that it will perform and comply in all material respects with each and every obligation, covenant and agreement required to be performed or observed by it in or pursuant to the Related Documents, which provisions, as well as the related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety, *provided, however,* JPMC shall have no greater rights or remedies than the other parties to such Related Documents with respect to any such incorporated provisions than the rights or remedies expressly provided to such other parties, if any, as the same may be further limited, qualified, excluded or excepted by the terms of this Agreement, and such incorporated provisions in all respects shall be additionally subject to such limitations, qualifications, exclusions and exceptions provided for in any such Related Documents. To the extent any such incorporated provision permits the owners of one or more Commercial Paper Notes or any other Person or Persons to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the owners of one or more Commercial Paper Notes or any other Person or Persons, for purposes of this Agreement, such provision shall be complied with only if it is waived by JPMC and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to JPMC. No amendment to such obligations, covenants and agreements or defined terms made pursuant to any of the Related Documents shall be effective to amend such obligations, covenants and agreements and defined terms as incorporated by reference herein without the consent of JPMC. The City shall give prior notice to JPMC or any action referred to in this Section.

Section 6.05. Limitation on Issuance of Additional Debt. (i) Not issue additional Prior Lien Bonds unless the City satisfies all of the requirements for such issuance contained in the Prior Lien Bond Ordinance and the Chief Financial Officer of the City shall certify to JPMC that for the most recent Fiscal Year ending prior to the date of issuance of the then proposed Prior Lien Bonds, the Net Revenues were equal to at least 125% of the average annual principal and interest requirements on all Prior Lien Bonds and the then proposed Prior Lien Bonds and (ii) not issue any additional Subordinated Obligations (other than the Commercial Paper Notes and the Series D Notes) unless the Chief Financial Officer of the City shall certify to JPMC that for the most recent Fiscal Year ending prior to the date of issuance of such proposed Subordinated Obligations, the Net Revenues were equal to at least 110% of the average annual principal and interest requirements on all outstanding Prior Lien Bonds and Subordinated Obligations (including the Commercial Paper Notes and the Series D Notes amortized at the rate of 5.00% per annum over 30 years) and the then proposed Subordinated Obligations.

Section 6.06. Rate Covenant. Establish, maintain and collect such rates, charges and fees for the use and availability of the System at all times as are necessary (i) to produce Net Revenues for each Fiscal Year of the System at least equal to 125% of the maximum annual principal and interest requirements of all then outstanding Prior Lien Bonds and (ii) to produce Net Revenues for each Fiscal Year of the System at least equal to 110% of the maximum annual

principal and interest requirements of all then outstanding Debt (including the Commercial Paper Notes and the Series D Notes amortized at rate of 5.00% per annum over 30 years).

Section 6.07. Operation of System. At all times continuously and efficiently operate the System, and maintain the System in good condition, repair and working order, all at reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 16(b) of the Prior Lien Bond Ordinance.

Section 6.08. Maintenance of Insurance. Cause to be insured such parts of the System as would usually be 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, including, to the extent reasonably obtainable, fire and extended coverage insurance, against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried with respect to the System unless the City's counsel gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. The foregoing provisions above notwithstanding, the City shall have authority to enter into coinsurance or similar plans where risk of loss is shared in whole or in part by the City. At any time while any contractor engaged in construction work on the System shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance.

Section 6.09. Inspection of Books. The City shall keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of the City; and at any reasonable time and from time to time, permit JPMC or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of and visit the properties of, the City and to discuss the affairs, finances and accounts of the City with any of the City's officers, trustees and independent auditors (and by this provision, the City authorizes said auditors to discuss with JPMC or its agents or representatives, the affairs, finances and accounts of the City) in each case at the expense of JPMC; *provided, however*, that upon the occurrence and continuance of an Event of Default such expenses shall be borne by the City.

Section 6.10. Notice of Certain Events. The City will promptly notify JPMC of (i) the occurrence of any Default or Event of Default known to the City or which, with the exercise of reasonable diligence by the City, should have become known to the City, specifying the details of such Default or Event of Default and the action that the City proposes to take with respect thereto; (ii) the failure by the Issuing and Paying Agent or by the Dealer to perform in any material respect any of their respective obligations under the Issuing and Paying Agency Agreement or the Dealer Agreement; (iii) the (x) existence and status of any litigation which individually or in the aggregate could, in the event of any unfavorable outcome, have a material adverse effect on or (y) passage of any state or local ordinance, law or rule not of general applicability to all Persons, either of which could reasonably be expected to have a material

adverse effect on (A) the financial condition or operations of the System, (B) the Commercial Paper Notes or (C) the enforceability or validity of any of this Agreement or the Related Documents, and, if any of the following is reasonably likely to materially and adversely affect the rights of JPMC under this Agreement, the City will promptly notify JPMC; (iv) any change in any material fact or circumstance represented or warranted in this Agreement or in any of the Related Documents; (v) any communications, reports or financial statements delivered or received by it from any taxing authority or rating agency with respect to the transactions contemplated hereby (together with a copy of such communication, report, or statement); and (vi) notice of any proposed substitution of this Agreement.

Section 6.11. Maintenance of Issuing and Paying Agent. Maintain in place an Issuing and Paying Agent under the Issuing and Paying Agency Agreement for the Commercial Paper Notes, and obtain the prior written consent of JPMC (which consent shall not be unreasonably withheld) to any change in the Person acting as Issuing and Paying Agent.

Section 6.12. Legislation. Promptly deliver to JPMC copies of all newly enacted State of Texas legislation of which the City has actual knowledge, which materially adversely affects or impacts this Agreement, the Bank Notes or the Commercial Paper Notes or the ability of the City to perform its obligations in connection herewith or therewith.

Section 6.13. Additional Liens. Not incur, create or permit to exist any lien on the Pledged Revenues other than (i) the Prior Lien Bonds, (ii) the lien created pursuant to the Ordinance and (iii) any liens which are in all respects junior and subordinate to the lien created pursuant to the Ordinance. The City shall at all times keep the Pledged Revenues and every part thereof free and clear of all pledges and security interests except the pledges granted in or permitted by the Ordinance or permitted under the Related Documents and shall maintain the pledge of the Pledged Revenues to JPMC as a pledge of all right, title and interest of the City in the Pledged Revenues and all rights of the City to receive any amount of the Pledged Revenues, subject only to the rights of the owners of the Prior Lien Bonds and the owners of the Commercial Paper Notes and any Series D Notes.

Section 6.14. Amendments to Related Documents. The City shall not enter into or consent to any amendments of or supplements to any Related Document or any waiver of the requirements thereof. Notwithstanding the foregoing, the City may enter into or consent to any amendments or supplements to the Related Documents that are reasonably necessary to extend the terms of the Issuing and Paying Agency Agreement or the Dealer Agreement, to provide for the payment of consideration for services rendered thereunder, and to attend to non-substantive administrative matters such as notice provisions and delivery instructions; *provided, however,* that the City delivers a copy of any such amendment or supplement to JPMC.

Section 6.15. Total Outstanding. Not permit the aggregate maturity value of all Notes Outstanding, and Revolving Loans and Term Loans outstanding at any time to exceed the Commitment in effect at such time.

Section 6.16. Tax Exemption. Not take any action, or omit to take any action, under present or future laws, rules, regulations, or official interpretations thereof which, if omitted or

taken, would cause interest on the Commercial Paper Notes to be includable in the gross income of the owners thereof for federal tax purposes.

Section 6.17. Offering Memorandum. Other than as expressly consented to in writing by JPMC, not refer to JPMC in the Offering Memorandum or any other offering or reoffering document with respect to the Commercial Paper Notes or make any changes in reference to JPMC in any revision of such Offering Memorandum or any such offering or reoffering document without JPMC's prior written consent thereto, which consent shall not be unreasonably withheld.

Section 6.18. Compliance with Laws. Comply with the requirements of all applicable Laws of the United States and of the State of Texas, the noncompliance with which would, singly or in the aggregate, have a materially adverse effect on the ability of the City to operate the System or to perform its obligations pursuant to this Agreement, the Bank Notes or the Related Documents.

Section 6.19. Efforts to Pay. In the event that any Loan is not paid at maturity, the City shall as quickly as possible take all action, to the extent market conditions permit, reasonably necessary to allow payment from any available System funds including proceeds from Prior Lien Bonds.

Section 6.20. Investments Generally. The City will:

(a) promptly notify JPMC in writing of any changes proposed to the Investment Policy, a copy of which has been delivered by the City to JPMC prior to the Effective Date, if the proposed change would increase the types of investments permitted by the Investment Policy;

(b) promptly notify JPMC in writing, after the adoption thereof by the City, of any change in the Investment Policy, which change increases the types of investments permitted by the Investment Policy and of which change JPMC was not previously notified pursuant to clause (a) above; and

(c) promptly notify JPMC in writing after the adoption by the City of any amendments to the City's Financial Management Performance Criteria, a copy of which has been delivered by the City to JPMC prior to the Effective Date.

Section 6.21. Maintenance of Approvals; Filings, Etc. The City shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable Law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

Section 6.22. Accuracy of Information. All data, certificates, reports, opinions of counsel, documents and other information furnished to JPMC, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this

Agreement shall, at the time the same are so furnished, (i) be complete and correct in all material respects to the extent necessary to give JPMC true and accurate knowledge of the subject matter thereof, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to JPMC shall constitute a representation and warranty by the City to that effect. Each financial statement furnished to JPMC, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of the City.

Section 6.23. Additional Documents. The City shall furnish to JPMC from time to time at the City's expense, all further instruments and documents, duly executed and delivered by the City, and take all further action that may be reasonably necessary, or that JPMC may reasonably request, in order to (i) protect any security interest or other right or interest assigned, or purported to be assigned, to JPMC under or in connection with this Agreement, the Ordinance or any other Related Document, or (ii) enable JPMC to exercise or enforce its rights or remedies under or in connection with this Agreement, the Ordinance, or any other Related Document.

Section 6.24. Financial and Other Reports. The City shall furnish the following reports (in an electronic or paper copy form) to JPMC:

(a) as soon as available and in any event not later than April 15 of the year following the end of each Fiscal Year, a copy of the City's annual unaudited financial statement with respect to the System for such Fiscal Year;

(b) as soon as available and in any event not later than July 1 of the year following the end of each Fiscal Year, a copy of the City's annual audited financial statement with respect to the System for such Fiscal Year, and a certificate of an officer of the City certifying as to the City's compliance with the covenants established in Section 6.06 hereof and that no Event of Default has occurred and is continuing or, if an Event of Default has occurred and is continuing, describing the nature thereof and the action the City proposes to take with respect thereto;

(c) as soon as available and in any event not later than 45 days after the end of each calendar quarter, a copy of a report showing the aggregate amount and maturities of Commercial Paper Notes outstanding at the end of such quarter and a summary of the aggregate principal amount of Commercial Paper Notes issued, rolled over and retired in such period;

(d) as soon as available but in any event not later than 40 days after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum, or similar corresponding document, and any supplements thereto and updates and amendments thereof that the City makes available in connection with the offering for sale of any securities issued by the City secured by the Pledged Revenues;

(e) copies of the most current Investment Policy of the City as approved by the City Council as well as any amendment thereto;

(f) within 90 days of approval thereof and in any event no later than December 31 of each year, a copy of the annual budget; and

(g) promptly after a request therefor, such other information as is then available respecting the condition or operations, financial or otherwise, of the System as JPMC may reasonably request.

Section 6.25. Remarketing. The City will issue and sell Commercial Paper Notes as promptly as practicable after the making of a Loan evidenced by a Bank Note and use the proceeds of sale solely for the repayment of the Loan (and such proceeds of sale shall be deemed to be proceeds of Commercial Paper Notes for all the purposes of the Ordinance, this Agreement and the Bank Notes).

Section 6.26. Commercial Paper Dealer. The City will appoint, or cause to be appointed, at all times, a Dealer, which is acceptable to JPMC. The Dealer in place on the Effective Date is acceptable to JPMC. The City agrees to cause the Dealer to use its best efforts to sell Commercial Paper Notes at par, up to the maximum rate applicable to Commercial Paper Notes, in order to repay maturing Commercial Paper Notes. If the Dealer fails to perform its duties under the Dealer Agreement (including, without limitation, an inability or failure to sell Commercial Paper Notes to pay maturing Commercial Paper Notes), then the City agrees, at the written request of JPMC, to cause the Dealer to be replaced with a Dealer satisfactory to JPMC. The City agrees to obtain the written consent of JPMC (which consent shall not be unreasonably withheld) prior to the appointment of a successor Dealer. If any Loan remains outstanding for a period of 60 consecutive calendar days (so long as such Loan remaining outstanding is not a result of JPMC's senior unsecured short-term or long-term rating being reduced by Moody's or S&P), at the written direction of JPMC cause the related Dealer (that has been unable to sell rollover Commercial Paper Notes) to be replaced with a Dealer reasonably satisfactory to JPMC. The City shall at all times exercise commercially reasonable efforts to cause each dealer agreement entered into after the date hereof, to contain satisfactory third-party beneficiary provisions in favor of JPMC. Any dealer agreement shall provide that such dealer may resign upon at least 60 days prior written notice to the City and JPMC.

Section 6.27. Liquidity; Bonding Capacity. (i) In the event that JPMC shall decide not to extend the Commitment Termination Date, the City shall use its commercially reasonable best efforts to obtain an alternate facility to replace this Agreement or shall take such other action as will result in the payment of all amounts owed to JPMC upon termination of this Agreement.

(ii) The City agrees that any alternate facility will require, as a condition to the effectiveness of the alternate facility, that the provider of the alternate facility will provide funds, on the date the alternate facility becomes effective, for the payment of all principal and accrued interest (at the applicable rate pursuant to Article II hereof) on all Loans then outstanding. On such date, any and all amounts due hereunder and under the Bank Notes, the Ordinance or the Commercial Paper Notes due to JPMC shall be payable in full to JPMC.

(iii) The City shall at all times maintain the ability to issue Prior Lien Bonds, other Parity and Senior Debt, or Subordinated Obligations in an amount at least equal to the sum of (i) the aggregate principal amount of the Commercial Paper Notes, plus (ii) the aggregate amount of accrued interest to maturity on all Commercial Paper Notes, plus (iii) any other obligations owing to any credit enhancer or liquidity provider on the Commercial Paper Notes.

Section 6.28. CUSIP. Upon the request of JPMC, the City will immediately use its best efforts to cause (i) a CUSIP number to be obtained from Standard & Poor's CUSIP Service for the Bank Notes and (ii) the Bank Notes (and their related CUSIP Numbers) to be assigned a long term rating of at least "Baa3" or "BBB-," respectively, from one of Moody's or S&P.

Section 6.29. Swap Termination Payments. In no event shall any Lien on the Security securing any swap termination payments payable from Pledged Revenues be first in priority to or *pari passu* with the Lien granted in support of the Parity Obligations and the Prior Lien Bonds and the Obligations under the Ordinance.

Section 6.30. Other Documents. The City shall not enter into any agreement containing any provision which would be violated or breached by the performance by the City of its obligations hereunder or under the Related Documents.

Section 6.31. Sale or Encumbrance of System. During the term of this Agreement, and as long as any Prior Lien Bonds, the Bank Note, or any interest thereon, remain Outstanding, the City will not sell, dispose of or, except as permitted hereunder or under the Prior Lien Bond Ordinance, further encumber the System; *provided, however*, that this provision shall not prevent the City from disposing of any portion of the System which is being replaced or is deemed by the City to be obsolete, worn out, surplus or no longer needed for the proper operation of the System. Net proceeds from any such disposition shall be used only for System purposes. Any agreement pursuant to which the City contracts with a person, corporation, municipal corporation or political subdivision to operate the System or to lease and/or operate all or part of the System shall not be considered as an encumbrance of the System.

Section 6.32. Sovereign Immunity. Pursuant to Section 1371.059, Texas Government Code, as amended, the City hereby agrees to waive sovereign immunity from suit and liability for the purposes of adjudicating a claim to enforce its duties and obligations under this Agreement or the Bank Notes for damages for breach of this Agreement.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. If one or more of the following events ("*Events of Default*") shall have occurred and be continuing:

- (a) the City shall fail to pay (i) any principal of or interest on any Loan (including without limitation, the Interest Component of any Revolving Loan) or Bank Note when due (whether by scheduled maturity, required prepayment, acceleration,

demand or otherwise) (other than payments on Loans or Bank Notes due solely as a result of acceleration caused by JPMC pursuant to this Section 7.01), or (ii) any Facility Fee or any other amount payable hereunder and, in the case of such Facility Fee or other amount, such failure shall continue for a period of three (3) Business Days from the date such obligation was due;

(b) any representation, warranty, certification, or statement made by the City in this Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to this Agreement or any Related Documents shall have been incorrect or untrue in any material respect when made or demand to have been made;

(c) the City shall fail to perform or observe any covenant, agreement or condition contained in Section 6.03, 6.05, 6.06, 6.07, 6.08, 6.09, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17, 6.24, 6.25, 6.26, 6.27, 6.28, 6.29, 6.31 or 6.32;

(d) the City shall fail to perform or observe any other covenant, agreement, or condition (other than those referred to or contained in clause (a), (b), or (c) above) contained in this Agreement, the Bank Notes or any other Related Document and such failure, if capable of being remedied, shall remain unremedied for thirty (30) days after written notice thereof shall have been given to the City by JPMC;

(e) (i) one or more final unappealable judgments or orders, issued or rendered by a Governmental Authority of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against the City, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of 60 days; (ii) one or more final unappealable judgments or orders, issued or rendered by a Governmental Authority of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against the System, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of 30 days

(f) the City shall fail to pay when due and payable (i) any principal of or interest on any Prior Lien Bonds or any other Parity and Senior Debt (including, in each case, without limitation, any principal or sinking fund installments), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Prior Lien Bonds or any other Parity and Senior Debt; or any failure to pay principal or interest on any Prior Lien Bonds or any other Parity and Senior Debt under any indenture, contract or instrument providing for the creation of or concerning such Prior Lien Bonds, any Subordinated Obligations or any other Parity and Senior Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on any Prior Lien Bonds or any other Parity and Senior Debt is to accelerate, or to permit the acceleration of, the maturity of such Prior Lien Bonds or any other Parity and Senior Debt or (ii) any principal of or interest on any other Debt of the City having a principal amount in excess

of \$5,000,000 and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) (i) the City shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the City shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the City any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against the City, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the City shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the City shall admit in writing its inability to pay its debts generally as they become due, or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) (i) any provision of this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance related to the payment of principal or interest on Commercial Paper Notes, Bank Notes or Loans or the pledge of and Lien on the Pledged Revenues shall at any time for any reason cease to be valid and binding or fully enforceable on the City as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement related to the payment of principal or interest on Commercial Paper Notes, Bank Notes or Loans or the pledge of and Lien on the Pledged Revenues shall be contested by the City or (b) any Governmental Authority having appropriate jurisdiction over the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any material provision of this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement or the Ordinance related to the payment of principal or interest on the Commercial Paper Notes, Bank Notes or Loans or the pledge of and Lien on the Pledged

Revenues, or (c) the City shall deny that it has any or further liability or obligation under this Agreement, Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance or (iii) any material provision of this Agreement, Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance other than a provision described in clauses (i) and (ii) of this Section 7.01(h) shall at any time for any reason cease to be valid and binding on the City, or shall be declared in a final nonappealable judgment by any court having jurisdiction over the City to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the City;

(i) (i) the City shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any Prior Lien Bonds or other Debt secured by Pledged Revenues or (ii) any Governmental Authority having appropriate jurisdiction over the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Commercial Paper Notes and Bank Notes or on all indebtedness of the City;

(j) (i) the long-term unenhanced rating by Moody's or S&P on any long term unenhanced Prior Lien Bonds are reduced below "A1" (or its equivalent) or "A+" (or its equivalent), respectively, or (ii) (x) the long-term unenhanced rating by Moody's and S&P on any Prior Lien Bonds shall be withdrawn or suspended (for credit related reasons) or reduced below "Baa3" (or its equivalent) and "BBB-" (or its equivalent), respectively or (y) if at any time the Rating Agencies provide a long-term unenhanced rating on any Parity Obligations, such long-term unenhanced rating is reduced by Moody's and S&P below "Baa3" (or its equivalent) and "BBB-" (or its equivalent), respectively;

(k) an "*Event of Default*" as defined in the Ordinance or the Issuing and Paying Agency Agreement shall occur and be continuing or the City shall default in the due performance or observance of any material term, covenant or agreement contained in any other Related Document and the same shall not have been cured within any applicable cure period;

(l) the Texas Constitution, any law of the State of Texas, including but not limited to the Act, or the Ordinance is repealed, reenacted, amended, or otherwise modified (whether directly or indirectly, and including, without limitation, by legislative or judicial action) and in the event of a repeal, reenactment, amendment, or modification, such repeal, reenactment, amendment or modification may, in the reasonable judgment of JPMC, have a material adverse effect on the power or authority of the City to provide for the payment of the obligations of the City under this Agreement, the Notes or the Bank Notes; or

(m) an “Event of Default” as defined under the Series D Credit Agreement shall have occurred.

then, and in any such event, other than an Event of Default specified in paragraph (g) above, JPMC shall declare the Bank Notes, all accrued interest thereon, and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Bank Notes and such interest and all such amounts shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the City. If any Event of Default specified in paragraph (g) above shall occur, without any notice to the City or any other act by JPMC, the Bank Notes, together with accrued interest thereon, and all other amounts payable under this Agreement, shall become forthwith due and payable, without presentment, demand, protest, or other notice of any kind, all of which are hereby waived by the City.

Upon the occurrence of any Special Event of Default, the Commitment shall automatically and immediately terminate with respect to all Commercial Paper Notes and JPMC shall have no obligation to make any Loan or to fund any outstanding Commercial Paper Note.

Upon the occurrence of an Event of Default that is not a Special Event of Default, JPMC shall, by notice to the City, terminate the Commitment, if any (except as provided below), deliver a Non-Issuance Instruction to the Issuing and Paying Agent directing the Issuing and Paying Agent to cease issuing all Commercial Paper Notes, whereupon no additional Commercial Paper Notes shall be issued, the Available Commitment shall immediately be reduced to the then outstanding principal amount of Commercial Paper Notes, and the Available Commitment shall be further reduced in a similar manner as and when such Commercial Paper Notes mature; *provided* that the Commitment shall not terminate, and the right of JPMC to accelerate the maturity of the Bank Notes shall not affect the obligation of JPMC to make Loans in an aggregate principal amount equal to the Commitment to the extent necessary for the City to make required payments of principal on the Commercial Paper Notes issued and sold prior to the date upon which the Non-Issuance Instruction is received by the Issuing and Paying Agent; *provided further* that if any Loans are made that would not have been made but for the application of the immediately preceding provision, such Loans shall be immediately due and payable on the date such Loans are made.

Upon the occurrence of an Event of Default under Section 7.01(h)(ii) hereof, the obligation of JPMC to make Loans hereunder shall be suspended from the time of the occurrence of such Event of Default until a final, nonappealable judgment of a court having jurisdiction in the premises shall be entered declaring that all contested provisions of this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Notes or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues are upheld in their entirety. In the event such judgment is entered declaring that all material contested provisions this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Notes or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues are upheld in their entirety,

the obligation of JPMC to make Loans hereunder shall be automatically reinstated and the terms of this Agreement will continue in full force and effect (unless this Agreement shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no suspension. In the event any provision of this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Notes or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues is declared to be null and void or unenforceable, or it is determined that the City has no liability or obligation under this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance, then the obligations of JPMC under this Agreement will terminate as set forth above. Notwithstanding the foregoing, if, upon the date which is the earlier of the Commitment Termination Date or three years after the effective date of such suspension of the obligation of JPMC pursuant to this paragraph, litigation is still pending and a judgment regarding the validity and enforceability this Agreement, the Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Notes or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues as is the subject of such Event of Default has not been obtained, then the Commitment and the obligation of JPMC to make Loans hereunder shall at such time terminate without notice or demand.

Upon the occurrence of a Default under Section 7.01(g)(ii) or Section 7.01(g)(iii) hereof, the obligation of JPMC to make Loans hereunder shall be suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of JPMC to make Loans hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligation of JPMC to make Loans hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.

Section 7.02. Suits at Law or in Equity and Mandamus. If any Event of Default shall occur, then and in every such case JPMC shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in JPMC by this Agreement, the Bank Notes or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the City shall be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 7.03. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by any Holder.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Related Document, and no consent to any departure by the City, shall be effective unless in writing signed by JPMC and the City, as the case may be, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 8.02. Notices; Effectiveness; Electronic Communication.

(a) *Notices Generally.* Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule I, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, for such Person on Schedule I. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) *Electronic Communications.* Notices and other communications to be provided hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by JPMC and the City, *provided* that the foregoing shall not apply to notices to JPMC pursuant to Article II if JPMC has notified the City that it is incapable of receiving notices under such Article by electronic communication. JPMC or the City may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless JPMC otherwise prescribes, (i) notices and other communications sent to JPMC to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other

communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by JPMC at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) *Change of Address, Etc.* The City or JPMC may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other party hereto.

(d) *Reliance by JPMC.* JPMC shall be entitled to rely and act upon any notice or other communication (including any telephonic notice or communication) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons. To the extent permitted by law, the City shall indemnify JPMC and the Related Parties of JPMC from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice given by or on behalf of the City.

Section 8.03. No Waiver; Cumulative Remedies; Enforcement. No failure by JPMC to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

Notwithstanding anything to the contrary contained herein or in any other Related Document, the authority to enforce rights and remedies hereunder and under the other Related Documents against the parties thereto or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, JPMC; *provided, however,* that the foregoing shall not prohibit (a) JPMC from exercising on its own behalf the rights and remedies that inure to its benefit hereunder and under the other Related Documents or (b) JPMC from exercising setoff rights in accordance with Section 8.08 (subject to the terms of Section 2.11).

Section 8.04. Expenses; Indemnity; Damage Waiver. (a) The City agrees to pay to JPMC (i) within 30 days after receipt of an invoice after the Effective Date, all reasonable costs and expenses incurred by JPMC and its counsel in connection with the preparation, execution and delivery of this Agreement and any other documents and instruments that may be delivered or required in connection therewith (including fees and expenses in connection with this Agreement in an aggregate amount not to exceed \$45,000 plus disbursements for counsel for JPMC), (ii) all costs and expenses incurred by JPMC after the Effective Date, including reasonable fees and out-of-pocket expenses of counsel for JPMC, otherwise arising in connection with this Agreement and the Related Documents, including, without limitation, in connection with any amendment hereto or thereto, the enforcement hereof or thereof or the protection of the rights of JPMC hereunder or thereunder, and (iii) any and all stamp and other taxes and fees payable or

determined to be payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection herewith.

(b) *Indemnification by the City; Limitation on Liability.* (i) To the extent permitted by the laws of the State of Texas, the City shall indemnify JPMC against, and hold JPMC harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for JPMC), incurred by JPMC or asserted against JPMC by any third party or by the City arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the City, and regardless of whether JPMC is a party thereto, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF JPMC; *provided* that the City shall not be required to indemnify JPMC for any claims, damages, losses, liabilities, costs, or expenses to the extent, but only to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (a) the negligence or willful misconduct of JPMC or (b) by reason of any untrue statement or material omission with respect to information describing JPMC and furnished in writing by JPMC to the City expressly for use in the Offering Memorandum.

(ii) To the extent permitted by the laws of the State of Texas, the City assumes all risks of the acts or omissions of the Issuing and Paying Agent with respect to the use of the Commitment and the Loans made pursuant thereto; *provided* that this assumption with respect to JPMC is not intended to and shall not preclude the City from pursuing such rights and remedies as it may have against the Issuing and Paying Agent under any other agreements. JPMC nor any of its officers or directors shall be liable or responsible for (i) the use of the proceeds of the Loans or the Bank Notes or the transactions contemplated hereby and by the Related Documents or for any acts or omissions of the Issuing and Paying Agent or the Dealer, (ii) the validity, sufficiency, or genuineness of any documents determined in good faith by JPMC to be valid, sufficient or genuine, even if such documents shall, in fact, prove to be in any or all respects invalid, fraudulent, forged or insufficient, (iii) payments by JPMC against presentation of requests for Loans for which JPMC in good faith has determined to be valid, sufficient or genuine and which subsequently are found not to comply with the terms of this Agreement, or (iv) any other circumstances whatsoever in making or failing to make payment hereunder; *provided* that the City shall not be required to indemnify JPMC for any claims, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the negligence or willful misconduct of JPMC, as determined by a court of competent jurisdiction in a final and nonappealable judgment.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable Law, the City shall not assert, and hereby waives, any claim against any JPMC, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to

direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the use of the proceeds thereof. JPMC shall not be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by JPMC through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of JPMC as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) *Payments.* All amounts due under this Section shall be payable not later than 30 days after receipt of an invoice.

(e) *Survival.* The agreements in this Section shall survive the termination of the Commitment and the repayment, satisfaction or discharge of all the other Obligations.

Section 8.05. Payments Set Aside. To the extent that any payment by or on behalf of the City is made to JPMC, and JPMC exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by JPMC in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 8.06. Successors and Assigns.

(a) *Successors and Assigns Generally.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the City may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of JPMC and JPMC may not assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (c) of this Section or as provided in subsection (e) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, and participants to the extent provided in subsection (b) of this Section) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Participations.* JPMC shall have the right to sell participations to one or more banking institutions (each a "*Participant*") in all or a portion of JPMC's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it), and such Participant shall be entitled to the benefits of this Agreement, including, without limitation, Article III and Section 8.04 hereof, to the same extent as if they were a direct

party hereto; *provided, however*, that no such participation by any such participant shall in any way affect the obligation of JPMC under this Agreement.

(c) *Assignments by JPMC.* JPMC may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions: (i) the consent of the City shall be required unless an Event of Default has occurred and is continuing at the time of such assignment and (ii) the City shall have received written notice from each Rating Agency then rating the Commercial Paper Notes that such ratings will not be lowered or withdrawn as a result of such assignment.

(d) *Limitations upon Participant Rights.* A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.02 hereof than such Participant would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the City's prior written consent.

(e) *Assignments to Federal Reserve.* JPMC may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operation Circular issued by such Federal Reserve Bank; provided, that any payment in respect of such assigned obligations made by the City to JPMC in accordance with the terms of this Agreement shall satisfy the obligations of the City hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release JPMC from its obligations hereunder. Any assignment under this clause (e) shall not require the consent of the City.

Section 8.07. Treatment of Certain Information; Confidentiality. JPMC agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Related Document or any action or proceeding relating to this Agreement or any other Related Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the City and its obligations, (g) with the consent of the City or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to JPMC or any of its Affiliates on a nonconfidential basis from a source other than the City.

For purposes of this Section, “*Information*” means all information received from the City relating to the City or the System, other than any such information that is available to JPMC on a nonconfidential basis prior to disclosure by the City, *provided* that, in the case of information received from the City after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

JPMC acknowledges that (a) the Information may include material non-public information concerning the City, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

Section 8.08. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Related Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 8.09. Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Related Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by JPMC, regardless of any investigation made thereby and notwithstanding that JPMC may have had notice or knowledge of any Event of Default or Default at the time of the making of any Loan, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

Section 8.10. Severability. If any provision of this Agreement or the other Related Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Related Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 8.11. Governing Law; Jurisdiction; Etc.

(a) *GOVERNING LAW.* THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *PROVIDED*, THAT THE OBLIGATIONS OF THE CITY UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE

WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) *SUBMISSION TO JURISDICTION.* EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF THE STATE OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURTS OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, IN SUCH FEDERAL COURTS. EACH PARTY HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) *SERVICE OF PROCESS.* EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 8.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF EITHER PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

Section 8.12. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

Section 8.13. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the City acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by JPMC are arm's-length commercial transactions between the City, on the one hand, and JPMC on the other hand, (B) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (ii) (A) JPMC has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the City, or any other Person and (B) JPMC does not have any obligation to the City with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (iii) JPMC and its respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the City, and JPMC does not have any obligation to disclose any of such interests to the City. To the fullest extent permitted by laws of the State of Texas, the City hereby waives and releases any claims that it may have against JPMC with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 8.14. Electronic Execution of Assignments and Certain Other Documents. The words “execution,” “signed,” “signature,” and words of like import in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 8.15. USA PATRIOT Act. JPMC hereby notifies the City that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “*Patriot Act*”), it is required to obtain, verify and record information that identifies the City, which information includes the name and address of the City and other information that will allow JPMC to identify the City in accordance with the Patriot Act. The City shall, promptly following a request by JPMC, provide all documentation and other information that JPMC requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

Section 8.16. Time of the Essence. Time is of the essence in the performance of the Related Documents.

Section 8.17. Entire Agreement. THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

CITY OF DALLAS, TEXAS

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM

Warren M.S. Ernst

City Attorney

By: _____

Name: _____

Title: _____

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF NON-ISSUANCE INSTRUCTION

[Dated Date]

City of Dallas, Texas
1500 Marilla, Room 4FN
Dallas, Texas 75201
Attention: Chief Financial Officer

U.S. Bank National Association
as Issuing and Paying Agent
100 Wall Street, Suite 1600
New York, New York 10005
Attention: Corporate Trust Services

Re: City of Dallas, Texas
Waterworks and Sewer System Commercial Paper Notes,
Series E

Ladies and Gentlemen:

Pursuant to Section 4.04 of that certain Revolving Credit Agreement dated as of September 1, 2014 (together with all amendments, restatements, supplements and/or other modifications thereto, the "*Credit Agreement*"), between the City of Dallas, Texas and JPMorgan Chase Bank, National Association, the undersigned hereby notifies you that (i) an Event of Default under of the Credit Agreement has occurred and is now continuing and (ii) upon receipt of this notice, no new Commercial Paper Notes (as defined in the Credit Agreement) and no additional Prior Lien Bonds or Subordinated Obligations (other than those Prior Lien Bonds or Subordinated Obligations the proceeds of which will be used to pay the Commercial Paper Notes) shall be issued or authenticated. This Non-Issuance Instruction shall remain in effect unless you have received written notification from us that this Non-Issuance Instruction has been rescinded.

Very truly yours,

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION

By: _____
Title: _____

cc: [Dealer]
[Rating Agencies]

EXHIBIT B

FORM OF REQUEST FOR LOAN

[Dated Date]

To: JPMorgan Chase Bank,
National Association

Re City of Dallas, Texas
Waterworks and Sewer System Commercial Paper Notes,
Series E

Ladies and Gentlemen:

Pursuant to Section 4.02 and 4.03 of that certain Revolving Credit Agreement, dated as of September 1, 2014 (together with all amendments, restatements, supplements and/or other modifications thereto, the "*Credit Agreement*"), between the City of Dallas, Texas (the "*City*") and JPMorgan Chase Bank, National Association ("*JPMC*"), the City hereby gives JPMC irrevocable notice that the City requests a Revolving Loan be made by JPMC as follows (capitalized terms used in this Request for Loan shall have the respective meanings assigned to such terms under the Credit Agreement):

The aggregate amount of the Revolving Loan hereby requested is \$_____.

Principal Component \$_____

Interest Component \$_____

The Revolving Loan hereby requested is to be made, and will not exceed the amount presently available, under the Commitment.

Payment of the Revolving Loan hereby requested is to be made by not later than 3:00 p.m., New York City time, on _____, _____. Such date is a "Business Day" within the meaning of the Credit Agreement. All of the proceeds received from the Revolving Loan shall be used to pay the aggregate principal amount of the Commercial Paper Notes maturing on such date [plus accrued interest to such date]. The Revolving Loan hereby requested is necessary due to the inability or failure of the Dealer to secure purchasers for Notes on the aforesaid date.

On the date of making the Revolving Loan hereby requested, no Special Event of Default or Suspension Event under Section 7.01 of the Credit Agreement has occurred and is continuing.

The City certifies, represents and warrants that the conditions set forth in Section 4.02 of the Credit Agreement shall have been satisfied.

Payment of the Revolving Loan hereby requested shall be made in immediately available funds to account no. _____ at _____.

Very truly yours,

CITY OF DALLAS, TEXAS

By: _____

Title: _____

EXHIBIT C

FORM OF BANK NOTE

**CITY OF DALLAS, TEXAS
WATERWORKS AND SEWER SYSTEM COMMERCIAL PAPER NOTES,
SERIES E**

\$322,191,780.82

September __, 2014

THE CITY OF DALLAS, TEXAS, acknowledges itself indebted and for value received promises to pay to the order of JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (“*JPMC*”) in lawful money of the United States of America, the lesser of (i) \$322,191,780.82, as such amount may be permanently reduced pursuant to Section 2.06 of that certain Revolving Credit Agreement dated September 1, 2014 (together with all amendments, restatements, supplements and/or other modifications thereto, the “*Credit Agreement*”), between the City and JPMC, and (ii) the unpaid principal balance of each Loan under the Available Commitment made by the Bank to the City pursuant to Section 2.02 of the Credit Agreement, subject to prepayment and acceleration as provided in Section 2.07 of the Credit Agreement. The City promises to pay interest on the unpaid principal amount of each such Loan on the dates and at the rate or rates provided for in Section 2.03 of the Credit Agreement. Within the limits of and to the extent permitted by the Credit Agreement, the City may reborrow, repay and reborrow under the Credit Agreement with respect to Loan under the Available Commitment. All such payments of principal and interest shall be made in immediately available funds at the office of the Bank specified in Section 2.08 of the Credit Agreement and shall be computed in accordance with and subject to the terms and conditions of the Credit Agreement. All capitalized terms used herein but not defined in this Bank Note shall have the meanings ascribed to them in the Credit Agreement.

This Bank Note shall be construed under and governed by the laws of the State of Texas but Chapter 346, Texas Finance Code, except for Section 346.004 thereof, shall not apply.

This Bank Note is a special obligation of the City payable from and secured solely by the funds pledged therefor in the Ordinance. To provide for the payment of the principal of and interest on this Bank Note as the same shall become due and payable, the Ordinance grants a lien on and pledge of, subject only to the provisions of the applicable Ordinance permitting the application thereof for purposes and on terms and conditions set forth therein, (i) the proceeds from (A) the sale of Prior Lien Bonds or Subordinated Obligations issued by the City for such purpose and (B) the sale of Notes issued pursuant to the Ordinance for such purpose, (ii) Loans, (iii) the amounts held in the Series E Note Payment Fund, as applicable (created under Section 2.09 of the Ordinance) until the amounts deposited therein are used for authorized purposes; *provided, however*, amounts in the Series E Note Payment Fund attributable to and derived from Loans shall be used only to pay, prior to the application to the payment of any Bank Note, the principal of and interest on the Project Notes in full, and (iv) the amounts remaining on deposit in the Series E Note Construction Account (created under Section 2.11 of

the Ordinance) after the payment of all Project Costs. Additionally, to provide security for the payment of the principal of and interest on this Bank Note and any other amounts due under the Credit Agreement as the same shall become due and payable, the Ordinance grants a lien on and pledge of the Pledged Revenues, subject only to the provisions of the Ordinance permitting the application thereof for purposes and on terms and conditions set forth in the Ordinance, such lien on and pledge of Pledged Revenues to the Notes and other amounts owing under the Credit Agreement, however, being subordinate only to the lien on and pledge of the Pledged Revenues securing the payment of the City's Prior Lien Bonds and the debt service and reserve funds relating thereto. It is hereby certified that every requirement of law relating to the issue hereof has been duly complied with and that this Bank Note is within every applicable debt or other limit.

IN WITNESS WHEREOF, the City Council has caused this Bank Note to be signed in its name by the City Manager and countersigned by the City Secretary, and sealed with the seal of the City, and this Bank Note to be dated the date and year first above written.

(SEAL)

CITY OF DALLAS, TEXAS

By: _____
City Manager

ATTEST

By: _____
City Secretary

EXHIBIT D

FORM OF OPINION OF CITY ATTORNEY

To: JPMorgan Chase Bank, National Association

Re: City of Dallas, Texas
Waterworks and Sewer System Commercial Paper Notes,
Series E

Ladies and Gentlemen:

I am the duly appointed City Attorney of the City of Dallas, Texas (the “City”), and this opinion is rendered on behalf of the City pursuant to and in connection with the authorization of the Notes and the execution and delivery of a Credit Agreement, dated as of September 1, 2014 (together with all amendments, restatements, supplements and/or other modifications thereto, the “*Credit Agreement*”), by and among the City and JPMorgan Chase Bank, National Association (“*JPMC*”). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

I or my designated attorneys have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates of public officials, and other instruments, and we have conducted such other investigation of fact and law as I have found necessary or advisable for the purpose of this opinion.

Under Ordinance No. _____, adopted by the City on _____, 2014 (the “*Ordinance*”), authorizing the issuance of the Commercial Paper Notes and the execution and delivery to JPMC of the Credit Agreement, the proceeds of the Advances and Term Loans made under the Credit Agreement are to be applied to the payment of the principal of and interest on the Commercial Paper Notes.

I have also made such further investigation of the law and facts as I have deemed necessary or advisable for purposes of the opinions herein expressed.

Based upon the foregoing, I am of the opinion that:

1. The City (a) is an incorporated city operating under a home-rule charter adopted pursuant to Article XI, Section 5 of the Texas Constitution; (b) has full power and authority to execute, deliver, and perform the Credit Agreement, the Bank Notes, the Ordinance, and the Commercial Paper Notes and to borrow under the Commercial Paper Notes, the Bank Notes and the Credit Agreement; (c) has all the requisite power and authority to own and operate the System; and (d) has all the requisite power and authority to pledge and grant a lien on the Pledged Revenues to the Bank to secure payment of the Advances and Term Loans and has lawfully exercised such power.

2. All authorizations, consents, approvals, licenses, permissions, and registrations, if any, of or with any Person, including any governmental authority, required in connection with (a) the execution, delivery, and performance of the Credit Agreement, the Bank Notes and the Commercial Paper Notes and (b) the City's authorization of the execution, delivery and performance of the Credit Agreement, the Bank Notes and the Commercial Paper Notes have, in each case, been obtained.

3. There is no litigation or legal or administrative proceeding pending, or to the best of my knowledge, threatened against, or any outstanding judgment, order, writ, injunction, decree, or award affecting the City before any court, governmental authority, or arbitral body (a) which prohibits or affects, or if adversely determined might prohibit or affect, the ability or authority of the City to execute, deliver, or perform any part of the Credit Agreement or (b) which in the aggregate have, or if adversely determined would have, any material adverse effect on the financial condition of the City or the System. To the best of my knowledge, the City is not in default with respect to any order, writ, injunction, or decree of any court or other governmental authority which would adversely affect the City's ability to execute, deliver, or perform any part of the Credit Agreement, the Bank Notes or the Ordinance.

The opinions expressed above are qualified to the extent that the enforceability of the rights and remedies set forth in the Ordinance and the Credit Agreement may be limited by bankruptcy, reorganization, or other similar laws of general application relating to or affecting the enforcement of creditors' rights. I express no opinion as to the extent to which any indemnification provision contained in the Credit Agreement or any other document used in connection with the issuance of the Commercial Paper Notes is enforceable under Texas law or as to the specific remedy that any court, governmental authority, or board of arbitration may grant, impose, or render in connection with the above-described instruments. I express no opinion as to the validity or enforceability of Section 8.04 of the Credit Agreement.

The opinions herein expressed and the statements herein made are limited in all respects to the laws of the State of Texas and applicable federal law. This opinion is solely for the benefit of and may be relied upon by the addressee. This opinion may not be relied upon by any other person, without my written consent.

Very truly yours,

SCHEDULE I

CERTAIN ADDRESSES FOR NOTICES

CITY:

City of Dallas, Texas
1500 Marilla
Dallas, Texas 75201

Attention: Jeanne Chipperfield
Telephone: (214) 670-5631
Telecopier: (214) 670-4653
E-Mail: jeanne.chipperfield@dallascityhall.com

AND WITH A COPY TO:

Attention: _____
Telephone: (214) 67_-_____
Telecopier: (214) 670-0622
E-Mail: _____@dallascityhall.com

JPMC:

JPMorgan Chase Bank, National Association
383 Madison Avenue, 8th Floor
New York, New York 10179-0001

Attention: David Bayer
Telephone: (212) 270-4186
Telecopier: (917) 546-2657
E-Mail: david.m.bayer@jpmorgan.com

COMMERCIAL PAPER DEALER AGREEMENT

Between

CITY OF DALLAS, TEXAS

and

J.P. MORGAN SECURITIES LLC

CP DEALER

Dated September 1, 2014

Relating to

City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series E

This **COMMERCIAL PAPER DEALER AGREEMENT**, dated September 1, 2014 (the "Agreement"), between the City of Dallas, Texas (the "Issuer") and J.P. Morgan Securities LLC (the "CP Dealer").

For and in consideration of the mutual covenants made herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Background and Definitions. (a) Pursuant to its ordinance adopted on June 25, 2014 (the "Authorizing Document"), the Issuer has authorized the issuance and reissuance from time-to-time of its tax-exempt commercial paper notes (the "Notes") in the aggregate principal amount not to exceed \$300,000,000 outstanding at any time.

(b) The Authorizing Document provides for the appointment of a commercial paper dealer to perform certain duties, including the offering and sale from time-to-time of the Notes on behalf of the Issuer.

(c) J.P. Morgan Securities LLC has agreed to accept the duties and responsibilities of the CP Dealer with respect to the Notes under the Authorizing Document and this Agreement.

(d) JPMorgan Chase Bank, National Association (the "Facility Issuing Party") has provided a line of credit (the "Facility") with respect to the Notes, that will enable U.S. Bank National Association (the "Account Party") to pay for the purchase of Notes that the CP Dealer is unable to remarket, in accordance with the terms of the Authorizing Document and the Revolving Credit Agreement, dated as of September 1, 2014 (the "Facility Agreement") between the Issuer and the Facility Issuing Party.

(e) Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Authorizing Document or the Issuing and Paying Agent Agreement.

Section 2. Appointment of CP Dealer. (a) Subject to the terms and conditions contained herein, the Issuer hereby appoints J.P. Morgan Securities LLC to act as CP Dealer for the Notes, and J.P. Morgan Securities LLC accepts such appointment.

(b) The CP Dealer shall act as exclusive dealer with respect to the Notes.

Section 3. Responsibilities of CP Dealer. (a) Subject to the terms and conditions set forth in this Agreement, J.P. Morgan Securities LLC agrees to perform the duties of CP Dealer set forth in this Agreement. It is understood that in undertaking to perform such duties, and in the performance thereof, it is the intention of the parties that the CP Dealer will act solely as a principal and not as an agent, except as expressly provided in this Agreement. In connection with all aspects of each transaction contemplated hereby, the City acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the CP Dealer are arm's-length

commercial transactions between the City, on the one hand, and the CP Dealer on the other hand, (B) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby; (ii) (A) the CP Dealer has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the City, or any other Person and (B) the CP Dealer does not have any obligation to the City with respect to the transactions contemplated hereby except those obligations expressly set forth herein; and (iii) the CP Dealer may be engaged in a broad range of transactions that involve interests that differ from those of the City, and the CP Dealer does not have any obligation to disclose any of such interests to the City. The CP Dealer shall use its best efforts to solicit and arrange sales of the Notes on behalf of the Issuer at such rates and maturities as may prevail from time to time in the market. The CP Dealer and the Issuer agree that any Notes which the Dealer may arrange the sale of or which, in the Dealer's sole discretion, it may elect to purchase, will be purchased or sold on the terms and conditions and in the manner provided in the Authorizing Document, the Issuing and Paying Agent Agreement and this Agreement. Anything herein to the contrary notwithstanding, to the extent of any conflict between the provisions hereof and of the Authorizing Document or the Issuing and Paying Agent Agreement, the provisions of the Authorizing Document and the Issuing and Paying Agent Agreement shall be controlling.

(b) Notwithstanding anything to the contrary contained herein, the CP Dealer:

(i) will suspend its efforts with respect to the offer or sale of the Notes on behalf of the Issuer upon the receipt of notice of the occurrence of an event of default under the Notes, the Authorizing Document, the Facility, the Facility Agreement or the Issuing and Paying Agent Agreement; and

(ii) may, in its sole discretion, suspend its efforts with respect to the offer or sale of the Notes on behalf of the Issuer immediately upon the occurrence of any of the following events, which suspension will continue so long as, in the CP Dealer's reasonable judgment, such event continues to exist as to the Notes:

(1) suspension or material limitation in trading in securities generally on the New York Stock Exchange;

(2) a general moratorium on commercial banking activities in New York is declared by either federal or New York State authorities;

(3) the engagement by the United States in hostilities if the effect of such engagement, in the reasonable judgment of the CP Dealer, makes it impractical or inadvisable to proceed with the solicitation of offers to purchase the Notes;

(4) legislation shall be introduced by committee, by amendment or otherwise, in, or be enacted by, the House of Representatives or the Senate of

the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Notes, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended (the "Securities Act") as then in effect, or the Securities Exchange Act of 1934, as amended (the "Exchange Act") as then in effect, or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Notes, or the Notes themselves, as contemplated hereby;

(5) any event shall occur or information shall become known, which, in the reasonable judgement of the CP Dealer, makes untrue, incorrect or misleading in any material respect any statement or information contained in any disclosure documents provided to the CP Dealer in connection with the performance of its duties hereunder, whether provided pursuant to Section 5 hereof or otherwise, or causes such documents to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(6) any governmental authority shall impose, as to the Notes, or obligations of the general character of the Notes, any material restrictions not now in force, or increase materially those now in force;

(7) any of the representations and warranties of the Issuer made hereunder shall not have been true and correct on the date made;

(8) the Issuer fails to observe any of the covenants or agreements made herein;

(9) any of the rating agencies then rating the Notes or any Facility Issuing Party shall either (i) downgrade the ratings assigned to either the Notes or such Facility Issuing Party so that such Notes are not "Eligible Notes" as defined under Rule 2a-7 of the Investment Company Act of 1940, as amended or (ii) suspend or withdraw the then current ratings assigned to either the Notes or any Facility Issuing Party; or

(10) an actual or imminent default or a moratorium in respect of payment of any U.S. Treasury bills, bonds or notes the effect of which, in the

reasonable judgment of the CP Dealer, makes it impractical to market the Notes or to enforce contracts for the sale of the Notes.

Section 4. Transactions in Notes. All transactions in Notes between the CP Dealer and the Issuer shall be in accordance with the Authorizing Document, the Issuing and Paying Agent Agreement, this Agreement, the Facility Agreement and with the customs and practices in the commercial paper market regarding settlement and delivery formally adopted in writing from time to time by the New York Clearinghouse, to the extent not inconsistent with the Authorizing Document. As early as possible, but not later than 12:30 p.m. on the day on which any Notes are to be issued, the CP Dealer shall notify the Issuer of the proposed final maturities, prices and interest rates (which interest rates shall not exceed 10% per annum) at which the CP Dealer will purchase or cause the purchase of the Notes, and provide the Issuer with any other information as required for delivery of such Notes. Except as described below, the CP Dealer shall not be obligated to purchase or cause the purchase of any Notes unless and until agreement has been reached in each case on the foregoing points and the CP Dealer has agreed to such purchase. Not later than 12:30 p.m. on the date of each transaction the CP Dealer shall either (a) confirm each transaction made with or arranged by it or (b) notify the Issuer and the Issuing and Paying Agent of the difference, if any, between the amount of maturing Notes and the amount of Notes which the CP Dealer has arranged to sell or has agreed to purchase. Such confirmation or notification shall be given by telephone (or by other telecommunications medium acceptable to the Issuer) and in writing to the Issuer and the Issuing and Paying Agent.

Section 5. Payment for Notes. The CP Dealer shall pay for the Notes sold by the CP Dealer (or purchased by the CP Dealer for its own account) in immediately available funds by 2:15 p.m. on the Business Day such Notes are delivered to the CP Dealer (provided that such Notes are so delivered to the CP Dealer by 3:00 p.m. on such Business Day). All Notes will be sold at par, and will be evidenced either by (i) a master note immobilized with The Depository Trust Company or (ii) if not, will be executed in the manner provided for in the Authorizing Document.

Section 6. Authorized Representative. Note transactions with the Issuer, pursuant to Section 4 hereof, shall be with any one of the officers or employees of the Issuer who are designated as an Authorized Representative by certificate acknowledged by the City Secretary of the Issuer. The initial written designation of the Authorized Representatives is appended hereto as Appendix A. The Issuer agrees to provide the CP Dealer with revised written designations in the form of Appendix A when and as required by changes in the Authorized Representatives. The CP Dealer may rely upon such designation unless and until otherwise notified in writing by the Issuer.

Section 7. Resignation and Removal of CP Dealer. The CP Dealer may at any time resign and be discharged of its duties and obligations hereunder upon providing the Issuer, the Facility Issuing Party and the Issuing and Paying Agent with ninety (90) days' prior written notice. The CP Dealer may be removed at any time, at the direction of the Issuer upon seven (7) days' prior written notice to the CP Dealer and the Issuing and Paying Agent. Upon removal or resignation of the CP Dealer, the Issuer shall promptly cause the Issuing and Paying Agent to give notice thereof by mail to all owners of the Notes and to any rating agency which has assigned a rating to the Notes.

The CP Dealer shall assign and deliver this Agreement to its successor if requested by the Issuer.

Section 8. Furnishing of Disclosure Materials.

(a) The Issuer agrees to furnish the CP Dealer with as many copies as the CP Dealer may reasonably request of the offering memorandum of the Issuer relating to the Notes (the "Offering Memorandum"), and such other information with respect to the Issuer and the Notes as the CP Dealer shall reasonably request from time to time.

(b) The Issuer agrees to cooperate with the CP Dealer in the preparation by the Issuer from time-to-time and not less often than annually of a new Offering Memorandum of the Issuer for the Notes in the event the CP Dealer determines that the preparation and distribution of such Offering Memorandum is necessary or desirable in connection with offering and sale on behalf of the Issuer of the Notes, and to furnish or to cause to be furnished to the CP Dealer as many copies of such new Offering Memorandum as the CP Dealer shall request.

(c) If, at any time during the term of this Agreement, any event shall occur or facts become known to either party that might affect the correctness or completeness of any statement of a material fact contained in the then current Offering Memorandum, such party shall promptly notify the other in writing of the circumstances and details of such event. The Issuer agrees to promptly furnish to the CP Dealer a copy of each filing or notice made to anyone (whether in connection with the Notes or otherwise) pursuant to any undertaking or other agreement of the Issuer made under any provision of Rule 15c2-12 promulgated by the United States Securities and Exchange Commission.

Section 9. Issuance of Prior Lien Bonds and Other Obligations. The CP Dealer hereby acknowledges that the Issuer reserves the right in the Authorizing Document to issue Prior Lien Bonds, Series D Commercial Paper Notes, and Subordinated Obligations, as provided therein, and the CP Dealer agrees that this Agreement does not restrict or otherwise impair the ability of the Issuer to issue Prior Lien Bonds, Series D Commercial Paper Notes or Subordinated Obligations throughout the term of this Agreement.

Section 10. Fees and Expenses. For the CP Dealer's services under this Agreement, the Issuer will pay the CP Dealer a fee of 0.039% per annum of the weighted average of the principal amount of Notes outstanding during each three month period. The Issuer will pay the fee quarterly in arrears commencing January 1, 2015, and each April 1, July 1, October 1, and January 1 thereafter.

Section 11. Representations, Warranties, Covenants and Agreements of the Issuer. The Issuer, by its acceptance hereof, represents, warrants, covenants, and agrees with the CP Dealer that:

- (a) it is a home-rule municipality and a political subdivision of the State of Texas;
- (b) it has full power and authority to take all actions required or permitted to be taken by the Issuer by or under, and to perform and observe the covenants and agreements on its part

contained in, this Agreement and any other instrument or agreement relating thereto to which the Issuer is a party;

(c) it has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date to authorize (i) the execution, delivery and performance of this Agreement, the Authorizing Document, the Facility Agreement and any other instrument or agreement to which the Issuer is a party and which has been or will be executed in connection with the transactions contemplated by the foregoing documents; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated by the foregoing agreements and by the current Offering Memorandum;

(d) it will provide the CP Dealer at its address set forth below, ~~(i) within 45 days of the end of each of its first three fiscal quarters, with copies of its unaudited quarterly financial statements as soon as available and in any event not later than April 15 of the year following the end of each fiscal year, a copy of its annual unaudited financial statement with respect to the System for such fiscal year, and (ii) within 120 days of the end of each fiscal year, with a copy of its annual audited financial statements for that fiscal year not later than July 1 of the year following the end of each fiscal year, with a copy of its annual audited financial statements for that fiscal year; and~~

(e) it will promptly notify the CP Dealer by telephone (or by other telecommunications medium acceptable to the CP Dealer), confirmed in writing to the CP Dealer and the Issuing and Paying Agent, of any material adverse changes that may affect the offering and sale on behalf of the Issuer of the Notes or any fact or circumstance which may constitute, or with the passage of time will constitute, an event of default under the Notes, the Authorizing Document, the Facility or the Facility Agreement or the Issuing and Paying Agent Agreement.

(f) the Offering Memorandum and any supplement, amendment and update thereof, furnished by the Issuer and used by the CP Dealer (including amendments, supplements and replacements thereof), until such time as they shall have been subsequently amended, updated or replaced, shall not contain any untrue, incorrect or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(g) the Issuer acknowledges that the CP Dealer may not be able to perform some of the services the Issuer may request of the CP Dealer from time to time in connection with the CP Dealer's engagement under this Agreement to the extent that such services would cause the CP Dealer to be considered a "municipal advisor" under SEC Rel. No. 34-70462 (September 20, 2013) (such final rules and to the extent reference therein, Section 975, the "Municipal Advisor Rules") implementing Section 975 ("Section 975") of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Section 12. Term of Agreement. This Agreement shall become effective on the date hereof and shall continue in full force and effect until the cessation of the Notes program, subject to the right of suspension and termination as provided herein.

Section 13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Section 14. Dealing in Notes by the CP Dealer; No Obligation to Purchase Notes. The CP Dealer, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Notes, including, without limitation, any Notes offered and sold by the CP Dealer pursuant to this Agreement, and may join in any action which any Owner may be entitled to take with like effect as if it did not act in any capacity hereunder. The CP Dealer, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, Account Party, or agent for any committee or body of owners of the Notes or other obligations of the Issuer as freely as if it did not act in any capacity hereunder.

Section 15. Miscellaneous. (a) Except as otherwise specifically provided in this Agreement, all notices, demands and formal actions under this Agreement shall be in writing and either (i) hand-delivered, (ii) sent by electronic means, or (iii) mailed by registered or certified mail, return receipt requested, postage prepaid, to:

The CP Dealer:

J.P. Morgan Securities LLC
10 South Dearborn, Floor 13
Chicago, Illinois 60603
Attention: Don Wilbon, Managing Director
Telephone: (312) 385-8485
Telecopy: (312) 732-2400
E-mail: don.e.wilbon@jpmorgan.com

The Issuer:

City of Dallas, Texas
1500 Marilla
Dallas, Texas 75201
Attention: Chief Financial Officer
Telephone: (214) 670-5631
Telecopy: (214) 670-4653
E-mail: jeanne.chipperfield@dallascityhall.com

The Issuing and Paying Agent:

U.S. Bank National Association
100 Wall Street, Suite 1600
New York, New York 10005
Attention: Millie Rolla

Telephone: (212) 951-8512
Telecopy: (212) 361-6153
E-mail: millie.rolla@usbank.com

Each party hereto may, by notice given under this Agreement to the other parties described above, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

(b) This Agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. The terms "successors" and "assigns" shall not include any purchaser of any of the Notes merely because of such purchase. Neither the Facility Issuing Party nor any owner of the Notes or other third party shall have any rights or privileges hereunder.

(c) All of the representations and warranties of the Issuer and the CP Dealer in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the CP Dealer or the Issuer, (ii) the offering and sale of and any payment for any Notes hereunder, or (iii) suspension, termination or cancellation of this Agreement.

(d) This Agreement and each provision hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the parties hereto.

(e) All references to time in this Agreement shall refer to local time in New York City, New York.

(f) Nothing herein shall be construed to make any party an employee of the other or to establish any fiduciary relationship between the parties except as expressly provided herein.

(g) If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(h) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

[Execution Page Follows]

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

CITY OF DALLAS, TEXAS

By: _____
Name: _____
Title: _____

Approved as to form:

Warren M.S Ernst, City Attorney

By: _____
Name: _____
Title: _____

J.P. MORGAN SECURITIES LLC, as CP
Dealer

By: _____
Name: _____
Title: _____

CERTIFICATE OF AUTHORIZED REPRESENTATIVE

I am the City Secretary of the City of Dallas, Texas (the "Issuer") duly authorized to certify as to the Authorized Representatives of the Issuer in connection with the issuance, from time to time, by the Issuer of tax-exempt commercial paper (the "Notes") in accordance with the Authorizing Document. I hereby certify that the following persons are authorized to act on behalf of the Issuer in accordance with the Authorizing Document (as defined in the Dealer Agreement) and specimen signatures of such persons are set forth beside their names.

Authorized Persons

Specimen Signature

Executed this _____.

Name: Rosa A. Rios
Title: City Secretary

FEE LETTER AGREEMENT

Reference is hereby made to that certain Revolving Credit Agreement dated as of September 1, 2014 (as the same may be amended, supplemented or otherwise modified from time to time the “*Agreement*”), between the City of Dallas, Texas (the “*City*”), and JPMorgan Chase Bank, National Association (the “*Bank*”), relating to the City’s Waterworks and Sewer System Commercial Paper Notes, Series E (the “*Notes*”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The purpose of this Fee Letter Agreement is to confirm the agreement between the Bank and the City with respect to, among other things, the Facility Fees (as defined below) and certain other fees payable to the Bank. This Fee Letter Agreement is the Fee Letter referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

ARTICLE I. FEES AND OTHER AGREEMENTS.

Section 1.1. Facility Fees. The City shall pay to the Bank quarterly in arrears on the last Business Day of each September, December, March and June (commencing on December 31, 2014, for the period from and including the Effective Date to and including December 31, 2014) occurring prior to the Commitment Termination Date and on the Commitment Termination Date, a facility fee (“*Facility Fee*”) equal to the product of the Applicable Rate (defined below) and the Available Commitment, together with interest on the Facility Fees from the date payment is due until payment in full at the Default Rate. Facility Fees payable pursuant to this Section 1.1 shall be calculated on the basis of a 360-day year and actual days elapsed and shall accrue from the Effective Date through the Commitment Termination Date.

“*Applicable Rate*” means, from time to time, the following percentages per annum, based upon the Debt Rating as set forth below.

PRICING LEVEL	MOODY’S RATING	S&P RATING	APPLICABLE RATE
Level 1	Aa2 or above	AA or above	0.300%
Level 2	Aa3	AA-	0.500%
Level 3	A1	A+	0.700%
Level 4	A2	A	0.900%
Level 5	A3	A-	1.100%
Level 6	Baa1	BBB+	1.300%
Level 7	Baa2	BBB	1.500%
Level 8	Baa3	BBB-	1.700%
Level 9	below Baa3	below BBB-	1.900%

“*Debt Rating*” means, as of any date of determination, the rating as determined by either S&P or Moody’s (collectively, the “*Debt Ratings*”) of the City’s Prior Lien Bonds; *provided that* (a) if the respective Debt Ratings issued by the foregoing rating agencies differ by one or more levels, then the Pricing Level for the lower of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 9 being the

lowest); and (b) in the event that any Debt Rating is suspended or withdrawn from any Rating Agency for any reason, the Applicable Rate shall increase by an additional 1.00% from the Applicable Rate in effect on the date of such suspension or withdrawal.

References to ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency including, without limitation, any recalibration of the long-term debt rating of any Prior Lien Bonds of the City in connection with the adoption of a “global” rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect.

Each change in the Applicable Rate resulting from a publicly announced change in the Debt Rating shall be effective during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change. Upon the occurrence and during the continuance of an Event of Default under the Agreement, the Applicable Rate shall increase by an additional 1.00% from the Applicable Rate in effect on the date of the occurrence of such Event of Default. All such fee increases shall be cumulative.

Section 1.2. Draw Fees. The City hereby agrees to pay to the Bank a non-refundable drawing fee of \$300, for each advance of a Revolving Loan under the Agreement, payable on the date such Revolving Loan is made.

Section 1.3. Amendment, Waiver or Consent Fees. The City hereby agrees to pay to the Bank, on the date any amendment, transfer, waiver or consent to the Agreement or any other Related Document requested by the City is entered into between the parties thereto, a non-refundable amendment, waiver or consent fee of \$3,000, or such other fee as the parties may agree, plus the reasonable fees and expenses of any legal counsel retained by the Bank in connection therewith. Such fee shall not apply to amendments for the sole purpose of extending the term of the Agreement but shall include reasonable costs of counsel to the Bank for such amendment.

Section 1.4. Out-of-Pocket Expenses. The City shall pay within thirty (30) days after receipt of an invoice, any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank and the fees of counsel to the Bank, as applicable) all payable in accordance with Section 8.04 of the Agreement.

Section 1.5. Termination and Reduction Fee.

(i) The City agrees not to terminate the Available Commitment prior to September 30, 2017, unless the Authority agrees to pay to the Bank, in addition to all other amounts that may be due and payable at such time, a termination fee (the “Termination Fee”) equal to the Facility Fee for the period commencing on the Effective Date through the September 30, 2017, less any Facility Fees already paid by the City to the Bank during such period; provided, however, such Termination Fee shall not be required if any of the events described in clause (iii) of this Section 1.5 have occurred. The Termination Fee shall be calculated on the basis of a year of 360 days and actual days elapsed.

(ii) The City agrees not to permanently reduce the Available Commitment prior to September 30, 2017, without the payment by the City of a reduction fee in connection with each and every permanent reduction of the Available Commitment as set forth herein in an amount equal to the product of (A) the Applicable Rate in effect on the date of such reduction, (B) the difference between the Available Commitment (without regard to any temporary reductions thereof) prior to such reduction and the Available Commitment (without regard to any temporary reductions thereof) after such reduction, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the September 30, 2017, and the denominator of which is 360 (the “Reduction Fee”); provided, however, such Reduction Fee shall not be required if any of the events described in clause (iii) of this Section 1.5 have occurred.

(iii) Notwithstanding the foregoing provisions of this Section 1.5, no Termination Fee or Reduction Fee, as applicable, will be required to be paid by the City, if (i) Moody’s shall have lowered the senior, unsecured short-term rating of the Bank below “P-1” or withdrawn the senior, unsecured short-term rating of the Bank; (ii) S&P shall have lowered the senior, unsecured short-term rating of the Bank below “A-1” or withdrawn the senior, unsecured short-term rating of the Bank; (iii) the elects to repay or restructure the Notes in full or in part from a source funds that does not involve the issuance by a bank or other financial institution other than the Bank of a letter of credit, liquidity facility or credit facility; (iv) the City terminates the Available Commitment at any time following demand by the Bank for payment to the Bank of any increased costs requested pursuant to Section 3.02 of the Agreement; or (vii) the occurrence of a Trading Differential of an average of twenty (20) basis points (0.20%) or greater for sixty (60) consecutive days or fifteen (15) basis points (0.15%) or greater for ninety (90) consecutive days (any such period the “Trading Differential Period”) with such Trading Differential Period being certified by an independent financial adviser selected by the City and reasonably acceptable to the Bank; provided, however, that such termination must occur within 180 days after the first day of any Trading Differential Period. As used herein, the term “Trading Differential” shall mean, for any day, a rate per annum equal to (x) the interest rate borne by the Notes, less (y) the average interest rate on such day borne by commercial paper notes issued by or on behalf of governmental entities in the United States with terms being approximately the same as the Notes, the payment of the principal of and interest on which is enhanced by credit facilities provided by commercial banks rated at least “P-1” by Moody’s and “A-1” by S&P, as calculated by the Bank and verified by the City’s independent financial advisors. Definitions.

ARTICLE II. MISCELLANEOUS.

Section 2.1. Amendments. No amendment to this Fee Letter Agreement shall become effective unless in writing signed by the Bank and the City.

Section 2.2. Governing Law. THIS FEE LETTER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *PROVIDED*, THAT THE OBLIGATIONS OF THE CITY UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

Section 2.3. Counterparts. This Fee Letter Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument.

Section 2.4. Severability. Any provision of this Fee Letter Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Fee Letter Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of this ____ day of September, 2014.

CITY OF DALLAS, TEXAS

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): 2, 3, 4, 6, 8, 9, 10

DEPARTMENT: Public Works Department

CMO: Jill A. Jordan, P.E., 670-5299

MAPSCO: 17R V 23X 33B 37A B 44D 53T U 65D 66A 73C

SUBJECT

Authorize a professional services contract with Lim & Associates, Inc. for engineering and surveying services for Sidewalk Improvement Group 2014 (list attached) - Not to exceed \$150,000 - Financing: General Obligation Commercial Paper Funds

BACKGROUND

This action will authorize an engineering design and surveying services contract for sidewalk projects funded in the 2006 and 2012 Bond Programs, as well as projects to improve accessibility at DART rail stations and bus stops. This design will also include locations to fill in sidewalk gaps on Buckingham Road and Walnut Street near the Kansas City Southern Railroad Line and will provide design for the construction of sidewalks for The North Central Texas Council of Governments Partnership Oak Cliff Gardens Sidewalk Project.

The consulting firm was selected following a qualifications-based selection process in accordance with the City of Dallas procurement guidelines.

ESTIMATED SCHEDULE OF PROJECT

Begin Design	July 2014
Complete Design	December 2014
Begin Construction	December 2014
Complete Construction	December 2015

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

2006 Bond Program (General Obligation Commercial Paper Funds) - \$60,000.00
2012 Bond Program (General Obligation Commercial Paper Funds) - \$90,000.00

Design (this action)	\$150,000.00
Construction	
Paving - PBW	<u>\$750,000.00</u> (est.)
Total Project Cost	\$900,000.00 (est.)

<u>Council District</u>	<u>Amount</u>
2	\$ 13,000.00
3	\$ 16,000.00
4	\$ 33,000.00
6	\$ 6,000.00
8	\$ 4,000.00
9	\$ 18,000.00
10	<u>\$ 60,000.00</u>
Total	\$150,000.00

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Lim & Associates, Inc.

Hispanic Female	0	Hispanic Male	4
African-American Female	0	African American Male	3
Other Female	3	Other Male	6
White Female	0	White Male	2

OWNER

Lim & Associates, Inc.

Siang W. " Daniel" Lim, P. E., RPLS, President

MAPS

Attached.

Sidewalk Improvement Group 2014

<u>Sidewalk Improvement Group 2014</u>	<u>Council District</u>
Sidewalk improvements near the Wycliff DART Rail Station, design where needed from citywide sidewalk replacement funds and construction funds from specific funding in the 2012 Bond Program	2
Accessibility improvements to the Westmoreland-Illinois DART Rail Station, City Design and DART construct	3
Oak Cliff Gardens Sidewalk Project	4
Denton Drive sidewalk from Storey Lane to Community Drive	6
Accessibility improvements to Kirnwood Drive and Cliff Creek Crossing, City Design and DART construct	8
Fill in of substandard width sidewalk connecting Katy Trail to White Rock Trail	9
Filling in sidewalk gaps at the Kansas City Southern Railroad Crossing on Buckingham Road and Walnut Street	10

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize a professional services contract with Lim & Associates, Inc. for engineering and surveying services for Sidewalk Improvement Group 2014 (list attached) - Not to exceed \$150,000 - Financing: General Obligation Commercial Paper Funds

Lim & Associates, Inc. is a local, minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Architecture & Engineering

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$150,000.00	100.00%
Total non-local contracts	\$0.00	0.00%
TOTAL CONTRACT	\$150,000.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Lim & Associates, Inc.	PMDB61077Y0315	\$138,200.00	92.13%
Caye & Cook & Associates	WFWB57693Y0614	\$8,800.00	5.87%
Total Minority - Local		\$147,000.00	98.00%

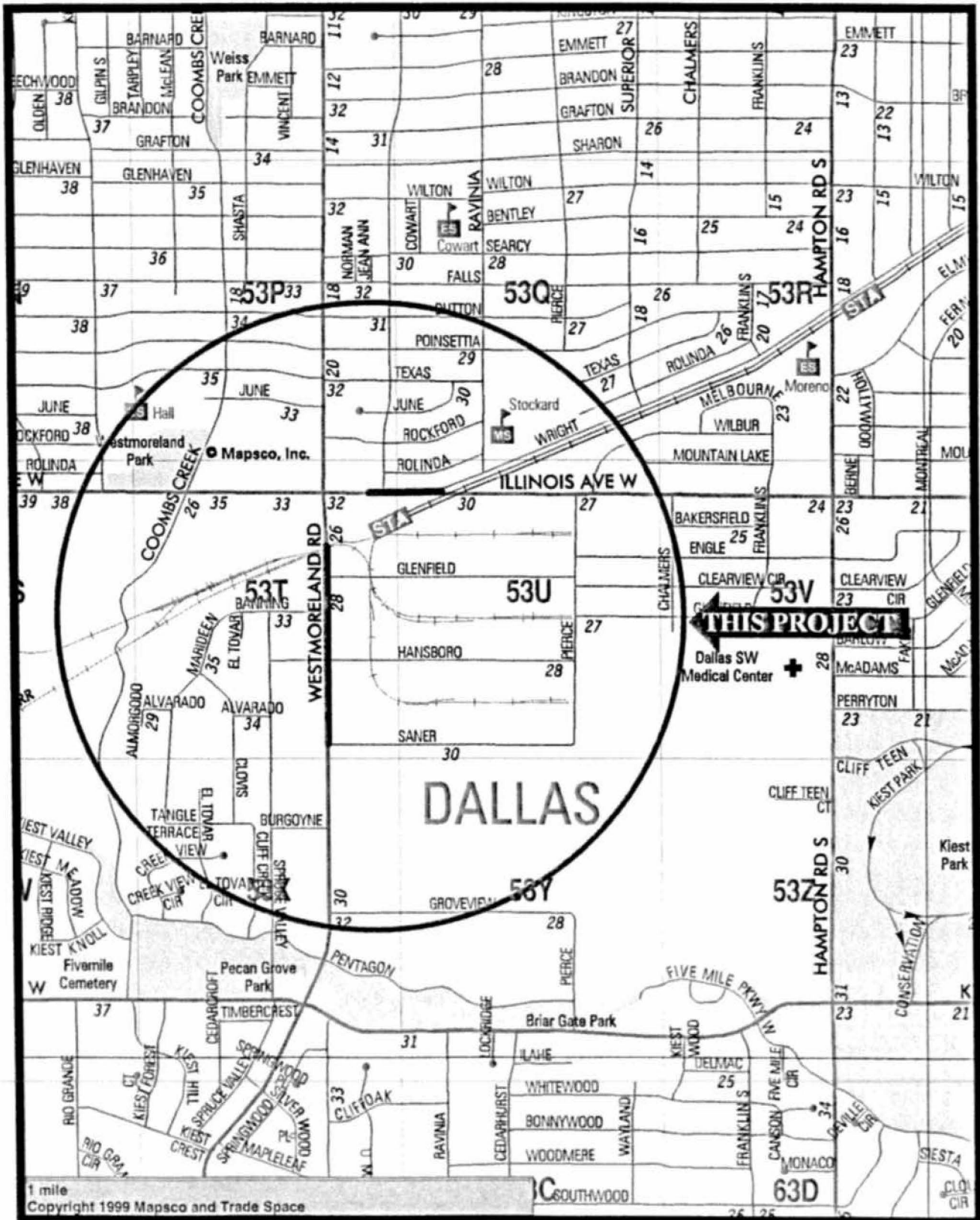
Non-Local Contractors / Sub-Contractors

None

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$0.00	0.00%	\$0.00	0.00%
Asian American	\$138,200.00	92.13%	\$138,200.00	92.13%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$8,800.00	5.87%	\$8,800.00	5.87%
Total	\$147,000.00	98.00%	\$147,000.00	98.00%

SIDEWALK IMPROVEMENTS WESTMORELAND – ILLINOIS DART STATION



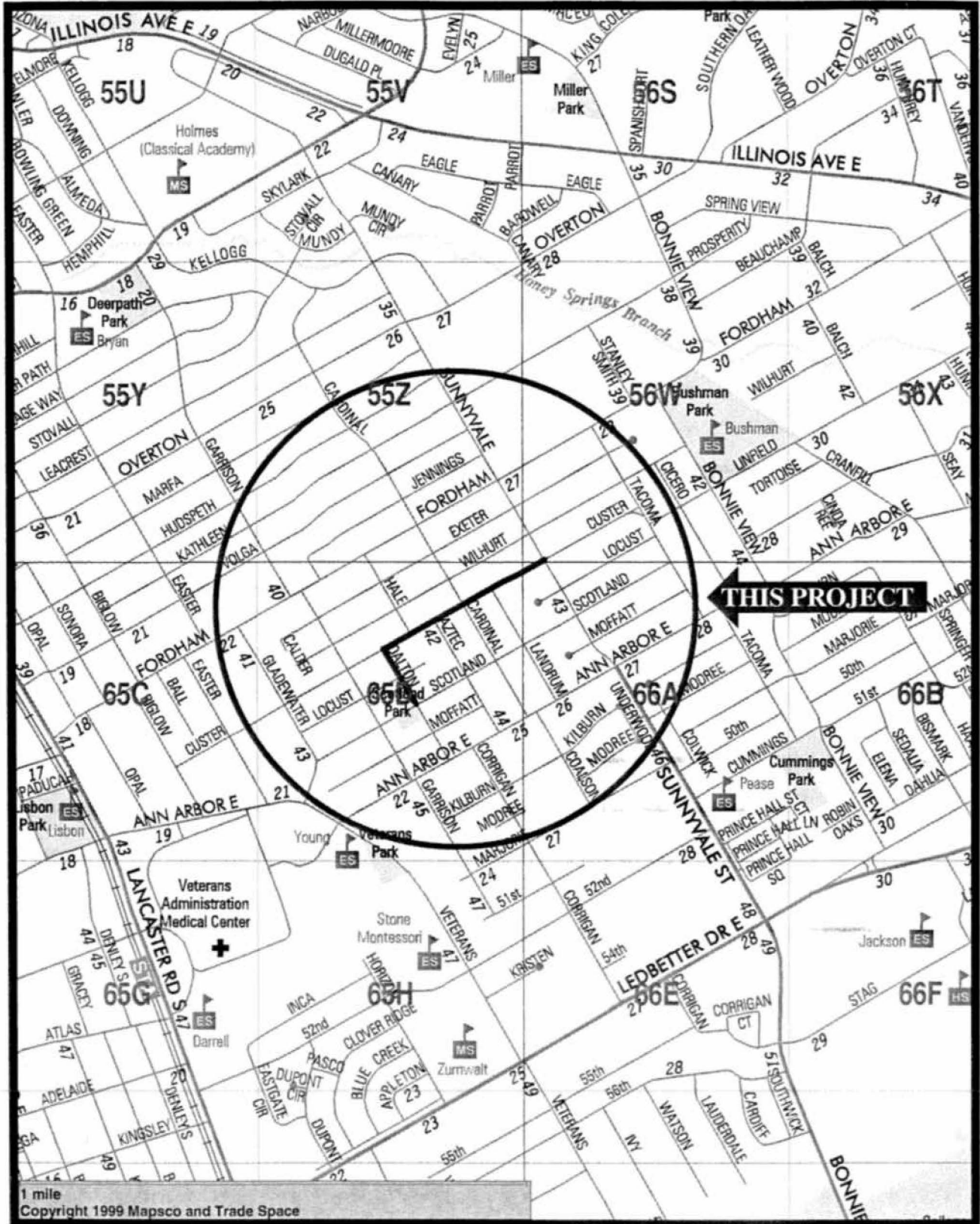
MAPSCO 53T & 53U

SIDEWALK IMPROVEMENTS KIRNWOOD DRIVE AND CLIFF CREEK CROSSING



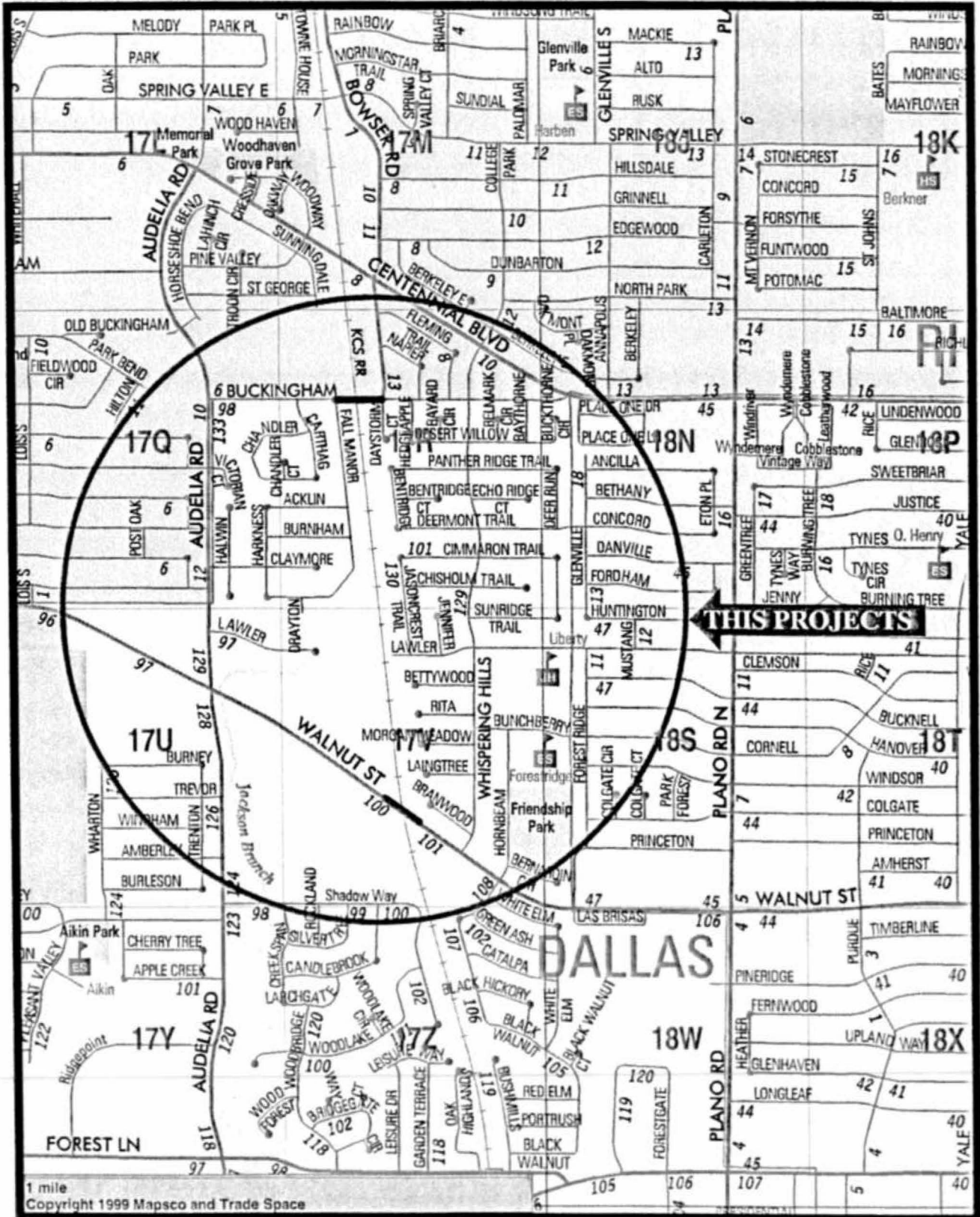
MAPSCO 73C

OAK CLIFF GARDENS SIDEWALK



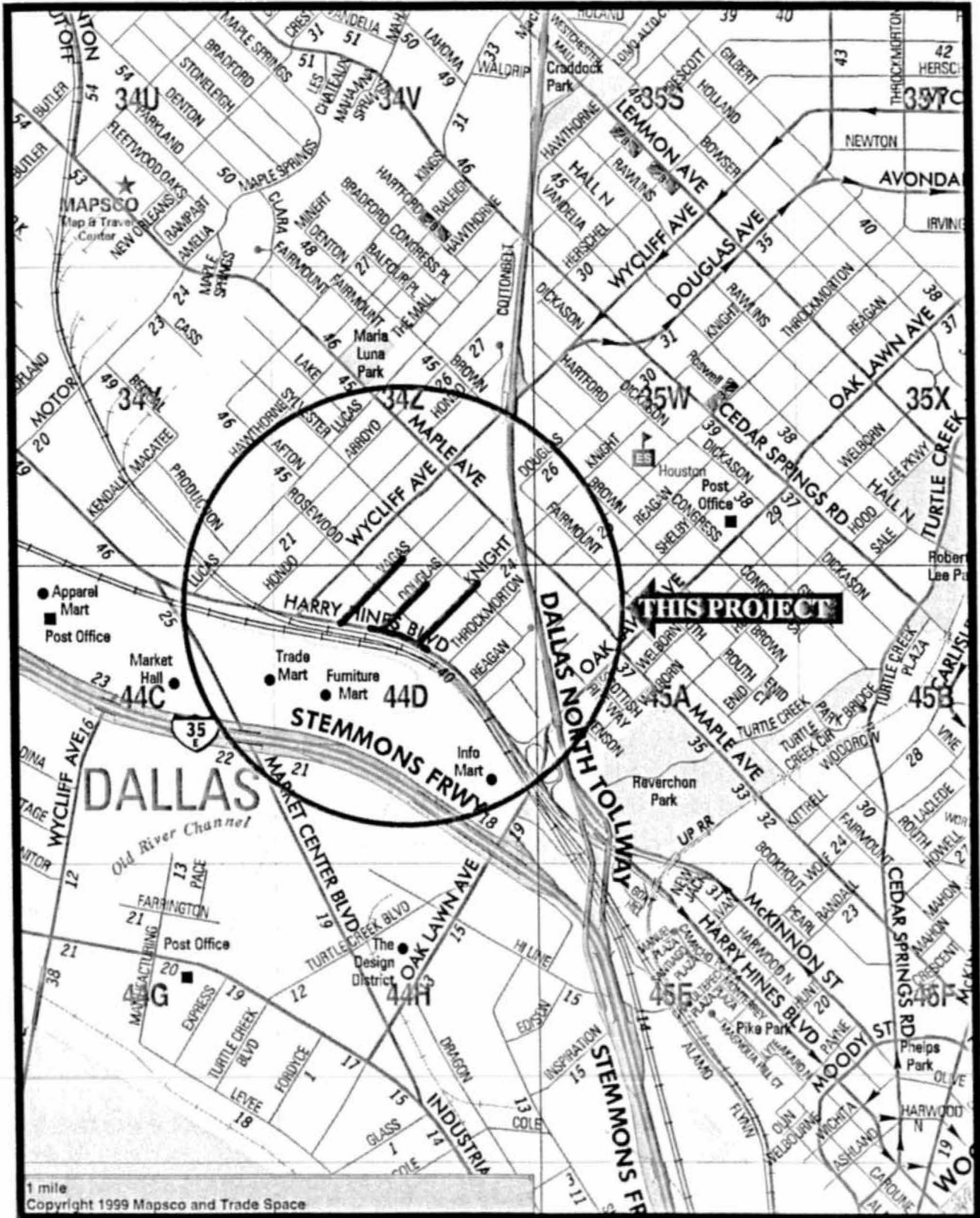
MAPSCO 65D, 66A

SIDEWALK IMPROVEMENTS KANSAS CITY SOUTHERN RR CROSSING ON BUCKINGHAM ROAD AND WALNUT STREET



MAPSCO 17R & 17V

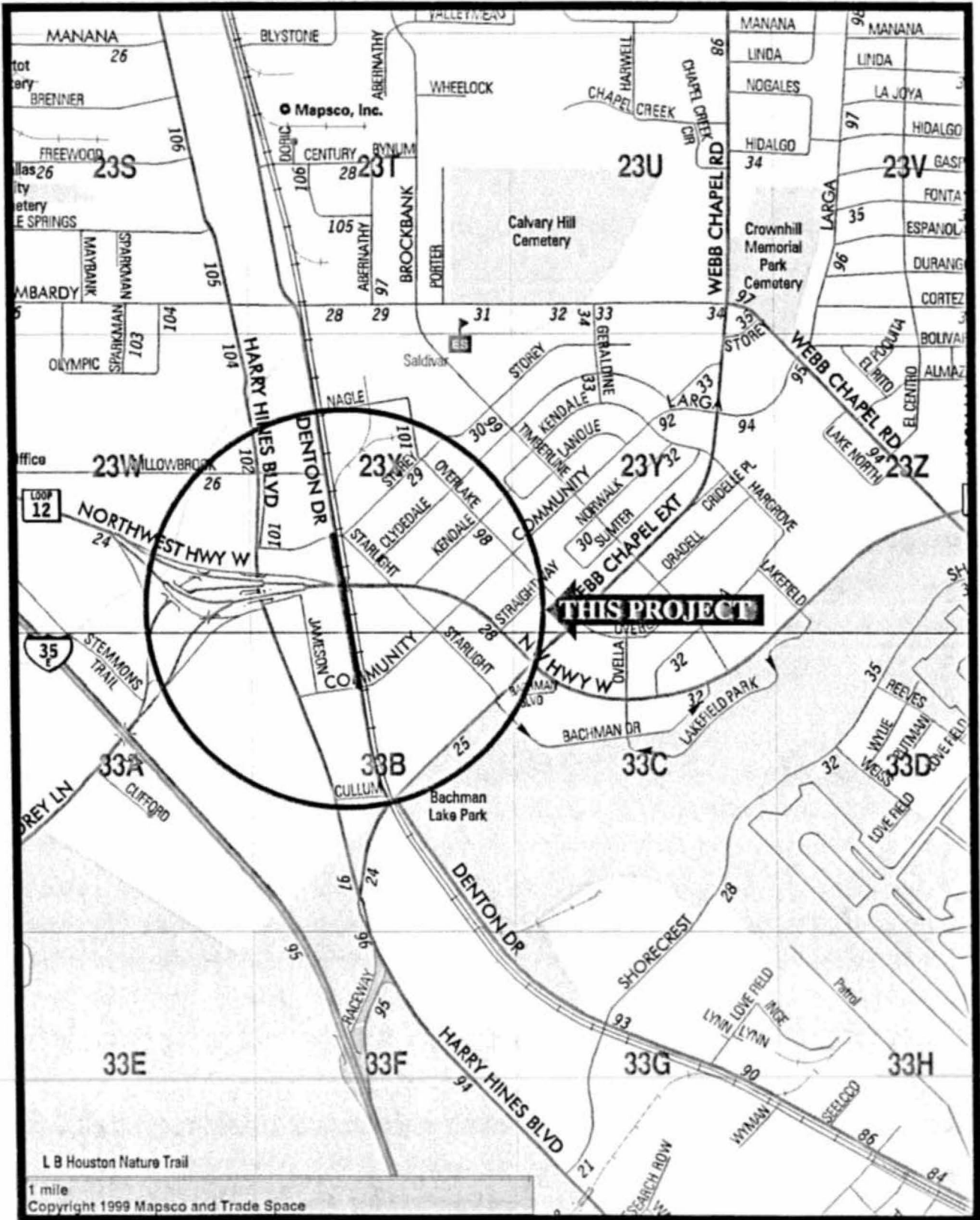
SIDEWALK IMPROVEMENTS NEAR THE WYCLIFF DART RAIL STATION



MAPSCO 44D

SIDEWALK IMPROVEMENTS

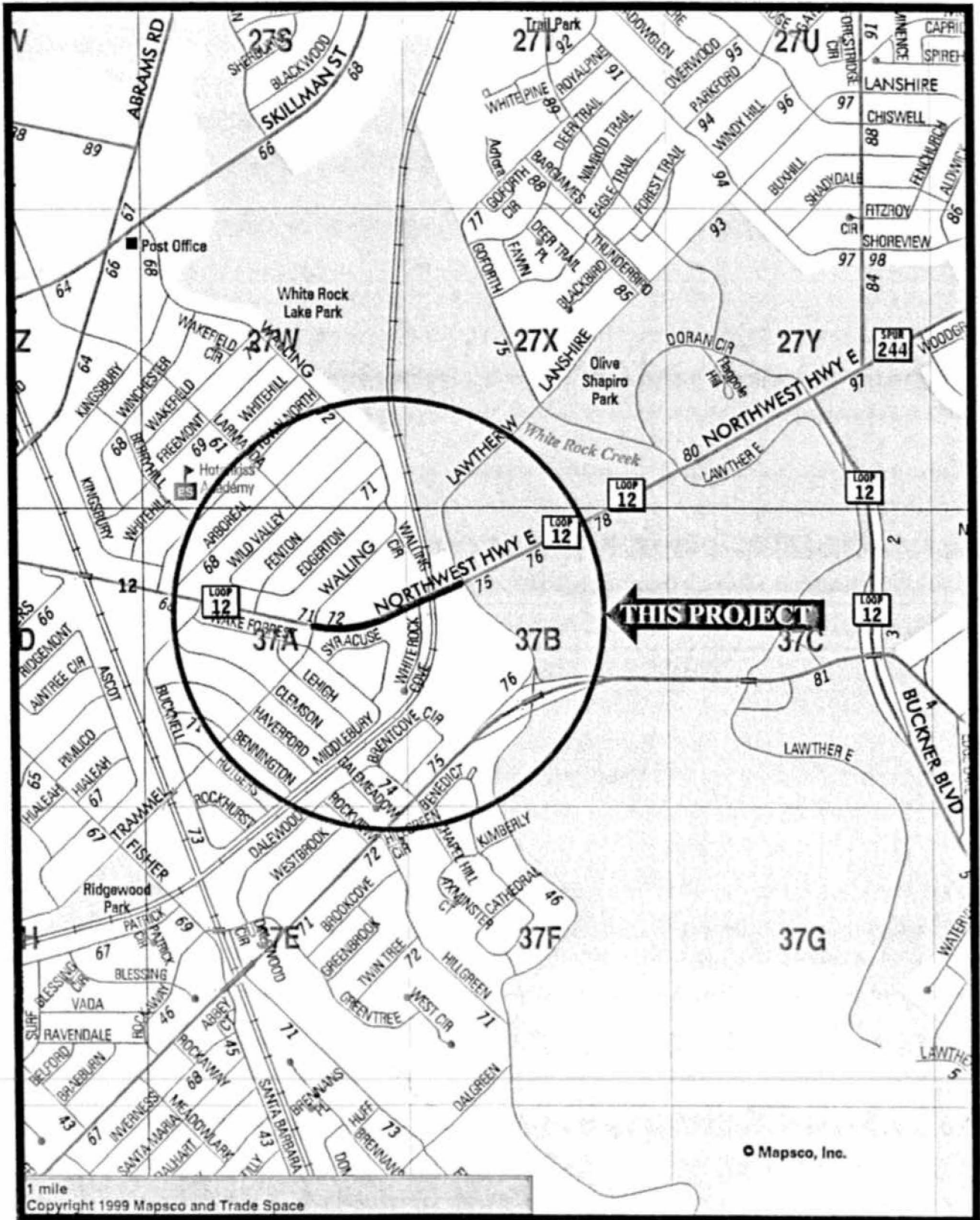
DENTON DRIVE SIDEWALK FROM STOREY LANE TO COMMUNITY DRIVE



MAPSCO 23X & 33B

SIDEWALK IMPROVEMENTS

SIDEWALK CONNECTING KATY TRAIL TO WHITE ROCK TRAIL



MAPSCO 37A & 37B

June 25, 2014

WHEREAS, Lim & Associates, Inc. was selected to provide the engineering and surveying design services for Sidewalk Improvement Group 2014 in the amount of \$150,000.00; and,

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Manager is hereby authorized to enter into a contract with Lim & Associates, Inc. for engineering and surveying services for Sidewalk Improvement Group 2014 in the amount of \$150,000.00, after it has been approved as to form by the City Attorney.

Section 2. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of the agreement from:

Street and Transportation Improvements Fund	
Fund 2T22, Department PBW, Unit U271, Act. SIDI	
Obj. 4111, Program #PB06U271, CT PBW06U239B1 <u>PBW06U271I2</u>	
Vendor #514273, in an amount not to exceed	\$ 60,000.00

Street and Transportation Improvements Fund	
Fund 2U22, Department PBW, Unit S414, Act. SIDI	
Obj. 4111, Program #PBSR0046, CT PBW06U239B1 <u>PBW06U271I2</u>	
Vendor #514273, in an amount not to exceed	\$ 90,000.00

Total amount not to exceed	\$150,000.00
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Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

REVISED AGENDA ITEM # 69

KEY FOCUS AREA: Efficient, Effective and Economical Government

AGENDA DATE: June 25, 2014

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Management Services
Intergovernmental Services
City Attorney's Office

CMO: Jeanne Chipperfield, 670-7804
A. C. Gonzalez, 670-3302
Warren M.S. Ernst, 670-3491

MAPSCO: N/A

SUBJECT

A resolution approving certain amendments to the Dallas City Charter for submission to the qualified voters of the City on November 4, 2014 – Financing: This action has no cost consideration to the City

BACKGROUND

The Dallas City Charter requires that the Charter be reviewed every ten years. On January 15, 2014, City Council passed Resolution No. 14-0157 creating the Charter Review Commission and appointing 16 commissioners.

The Charter Review Commission held its first meeting on January 31, 2014, and held work sessions and community meetings until May 6, 2014, to create a list of recommended Charter amendments. The Charter Review Commission is an advisory body to the Dallas City Council. The City Council can accept, deny, or amend any of the Commission's recommendations, or develop its own list of recommended Charter amendments.

On June 11, 2014, City Council approved a list of certain Charter Review Commission-recommended Charter amendments, with modifications made by the City Council, for inclusion on the November 4, 2014 ballot.

On June 18, 2014, City Council ~~is scheduled to be~~ was briefed on additional amendments to the Dallas City Charter, including several proposed by City Council and ~~two~~ three proposed by the Charter Review Commission. Exhibit A ~~will be~~ is provided on the addendum, and ~~will~~ includes an executive summary of those proposed amendments, together with notes and the proposed language. This resolution approves these additional Charter amendments.

BACKGROUND (Continued)

On August 6, 2014, City Council will consider an ordinance calling for a special election on November 4, 2014, so that all of the council-approved Charter amendments can be submitted to qualified voters.

PRIOR ACTIONS/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 15, 2014, Dallas City Council approved the resolution creating the Charter Review Commission.

On May 6, 2014, the Charter Review Commission approved its final list of recommended Charter amendments.

On May 21, 2014, Dallas City Council was briefed on, and discussed, the Commission-recommended Charter amendments.

On May 28, 2014, Dallas City Council discussed the Commission-recommended Charter amendments as well as amendments offered by Councilmembers.

On June 11, 2014, Dallas City Council voted on Commission-recommended Charter amendments.

On June 18, 2014, Dallas City Council ~~is scheduled to be~~ was briefed on additional Charter amendments recommended by Councilmembers and ~~two~~ three Charter Review Commission-recommended amendments.

FISCAL INFORMATION

No cost consideration to the City

June 25, 2014

WHEREAS, the Dallas City Charter Chapter II, Section 3 requires that the Charter be reviewed by a Charter Review Commission at intervals of not more than 10 years; and

WHEREAS, the City Council appointed a Charter Review Commission; and

WHEREAS, the Charter Review Commission convened and held community meetings to develop a list of recommended Charter amendments; and

WHEREAS, on May 6, 2014, the Commission voted on its list of recommended amendments; and

WHEREAS, on May 21, 2014, the Commission presented its recommended Charter amendments to the City Council; and

WHEREAS, on May 28, 2014, the City Council offered several Charter amendments for consideration; and

WHEREAS, on June 11, 2014, the City Council voted on Commission-recommended Charter amendments; and

WHEREAS, on June 18, 2014, the City Council discussed City Council-recommended Charter amendments and ~~two~~ three Commission-recommended Charter amendments.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Council does hereby recommend the proposed Charter amendments described in the attached Exhibit A (~~which will be presented on the June 25, 2014 addendum~~).

Section 2. That the City Attorney is directed to prepare ballot language and an ordinance calling for a special election on November 4, 2014 for City Council consideration on August 6, 2014.

Section 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

EXHIBIT A

CHAPTER IV. ELECTIONS AND REFERENDUMS

SEC. 5. DISTRICTS ~~[LIMITS]~~ AND REDISTRICTING.

(a) The city shall be divided into 14 districts, known as Districts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14.

(b) Redistricting commission.

(1) Not later than 30 days after the city council is briefed on the federal decennial census taken in the prior year [~~the date of receipt of any federal census~~], each member of the city council shall appoint one member of the redistricting commission. The mayor shall designate the chair of the redistricting commission, subject to confirmation by a majority of the city council. In making such appointments, the city council and the mayor shall, as nearly as may be practicable, provide fair and balanced representation of all geographical areas of the city in the redistricting process and provide a total membership that reflects the racial and ethnic makeup of the city's population. Members of the redistricting commission shall be appointed to serve a term that will end upon completion of the redistricting commission's work.

(2) Persons appointed to the redistricting commission must be registered to vote and meet the qualifications for service on a city commission. A member of the city council is not eligible for appointment to the redistricting commission. A member of the redistricting commission is not eligible to be a candidate for a place on the city council in the next succeeding general election of the city, and may not be appointed or elected to the city council or to any other official board or commission of the city for a period of one year after service on the redistricting commission.

(3) The redistricting commission shall draw the districts in compliance with the following guidelines:

(A) The districts shall be substantially equal in population according to the total population count as presented in the census data, except where deviation is required to comply with federal law or is allowable by law.

(B) In addition to the requirements of federal law, there shall be no discrimination on the basis of race, color, or membership in a language minority group, and the voting strength of racial, ethnic and language minorities in the districts shall not be diluted to deprive minority voters of an equal opportunity to elect a candidate of their choice.

(C) The districts shall be geographically compact, to the extent possible, and composed of contiguous territory.

(D) The reconfiguration of districts shall be neutral as to incumbents or potential candidates.

(E) Communities of interest shall be placed in a single district and attempts should be made to avoid splitting neighborhoods, where possible without violating the other requirements.

(F) The redistricting commission may adopt any other requirements of federal or state law.

(4) The redistricting commission shall promptly convene in such sessions as are necessary, including public hearings, to develop, prepare, and recommend a districting plan that proposes the respective boundaries of the various districts comprising the city council under this Charter.

(5) City council members may not have contact, directly or indirectly, with a redistricting commission member, or with redistricting commission staff, with respect to redistricting, except by testimony in an open meeting. Redistricting commission members may not engage in any discussions, directly or indirectly, regarding redistricting or the work of the redistricting commission with city council members, except during an open meeting or by written communication given to the entire redistricting commission. If a redistricting commission member engages in a prohibited discussion or violates the Texas Open Meetings Act, the redistricting commission may, by majority vote, remove the commissioner from the redistricting commission.

(6) Upon completion of its work, the redistricting commission shall file its recommended districting plan with the mayor. The mayor shall present the recommended plan to the city council at its next meeting. The city council shall adopt the plan as submitted or shall modify and adopt the plan, in either case within 45 days of receipt by the mayor. Any modification or change to the plan must be made in open session at a city council meeting, with a written explanation of the need for the modification or change and a copy of the proposed map with the modification or change made available to the public 72 hours before a vote, and the proposed plan must be approved by a vote of three-fourths of the members of the city council. If final [neither of such] action[s] is not taken by the city council within 45 days after the plan was presented to the mayor, then the recommended plan of the redistricting commission will become the final districting plan for the city.

(7[4]) The districting plan developed in accordance with this section must be implemented at the next general election of the city council conducted at least 90 days following the date the final districting plan becomes effective for the city.

CHAPTER XI. THE BUDGET AND FINANCIAL PROCEDURE RELATING THERETO

SEC. 2. BUDGET ESTIMATES TO BE FURNISHED TO CITY MANAGER BY ALL DEPARTMENTS NOT UNDER CITY MANAGER'S IMMEDIATE DIRECTION.

Every department of the city government not under the direct control of the city manager, except the city auditor, shall furnish to the city manager, for use in the preparation of recommendations to the council regarding the annual budget, a detailed budget estimate of the needs and requirements of such department for the coming year. The city auditor shall furnish a detailed budget estimate of the needs and requirements of the city auditor's office for the coming year directly to the city council, to be approved by city council, and then consolidated with the city manager's estimate.

CHAPTER XV. PLANNING AND ZONING

SEC. 8. THOROUGHFARE PLAN.

(a) The city council shall by ordinance adopt a thoroughfare plan. A thoroughfare plan now in existence or hereafter adopted by the city council shall not be changed except by an ordinance duly adopted after a public hearing as herein provided.

(b) Prior to any change in a thoroughfare plan that affects a local area of the city or that increases the dimensional classification of a thoroughfare, the city council shall hold a public hearing. Written notice of all public hearings before the city council on proposed changes in the thoroughfare plan shall be sent to owners of real property lying within 200 feet of the area of the proposed change, such notice to be given, not less than 10 days before the date set for hearing, to all such owners who have rendered their said property for city taxes as the ownership appears on the last approved city tax roll. Such notice may be served by depositing the same, properly addressed and postage paid, in the United States mail. For purpose of this provision, "local area" means an area of less than two square miles.

(c) Prior to any change in a thoroughfare plan that affects any area larger than a local area or that does not increase the dimensional classification of a thoroughfare, the city council shall hold a public hearing and shall conduct public meetings in each of the city council districts. Written notice shall be provided by publication in a newspaper of general circulation and posting on the city's website.

CHAPTER XVI. CIVIL SERVICE AND PERSONNEL

SEC. 16. NO DISCRIMINATION [~~BASED ON RACE, SEX, RELIGIOUS OR POLITICAL OPINIONS~~]; PROHIBITING CERTAIN POLITICAL ACTIVITY ON THE PART OF EMPLOYEES.

(a) No person shall be appointed, reduced, removed, or in any way favored or discriminated against because of race, color, age, religion, gender [sex], marital status, sexual orientation, gender identity and expression, genetic characteristics, national origin, disability, military or veteran status, political [~~or religious~~] opinions or affiliations. No officer or employee of the city shall directly or indirectly, in any way be required to contribute to any political campaign, political party, organization which supports candidates for public office, or for any partisan political purpose whatsoever.

CHAPTER XXI. BORROWING MONEY

SEC. 2. GENERAL OBLIGATION BONDS (TAX SUPPORTED BONDS).

The city shall have the power to borrow money on the credit of the city and to issue general obligation bonds for making public improvements or for other public purposes not prohibited by the Constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the city previously issued. All such bonds shall be issued in accordance with state law. For bonds requiring voter approval, the city shall indicate on the ballot proposition the amount of bond issuance authorization, estimated amount of repayment including principal and interest based on current market conditions, and the purpose of the bonds.

CHAPTER XXII. PUBLIC CONTRACTS

SEC. 1. SIGNATURES AND APPROPRIATIONS.

No contract, other than purchase orders for supplies and equipment and change orders authorized in accordance with Section 6, Chapter XXII of this Charter, shall be deemed executed on behalf of the city nor shall it be binding upon the city unless it has first been signed by the city manager and approved by the city attorney. The expense thereof shall be charged to the proper appropriation. Whenever the contract charged to any appropriation equals the amount of said appropriation, no further contracts shall be signed. The publication of an ordinance or resolution to make it effective as an ordinance or resolution in accordance with Section 7, Chapter XVIII of this Charter does not execute the ordinance or resolution as a contract unless the ordinance or resolution expressly so provides.