

**MARCH 28, 2018 CITY COUNCIL ADDENDUM  
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated March 28, 2018. 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.



T.C. Broadnax  
City Manager

3/23/2018

Date



Elizabeth Reich  
Chief Financial Officer

3-23-18

Date

RECEIVED

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CITY SECRETARY  
DALLAS, TEXAS

**ADDENDUM  
CITY COUNCIL MEETING  
WEDNESDAY, MARCH 28, 2018  
CITY OF DALLAS  
1500 MARILLA STREET  
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 - 38

**CONSENT ADDENDUM**

Items 1 - 3

**ITEMS FOR INDIVIDUAL CONSIDERATION**

No earlier  
than 9:15 a.m.

Items 39 - 44

**PUBLIC HEARINGS AND RELATED ACTIONS**

1:00 p.m.

Items 45 - 62

## **Handgun Prohibition Notice for Meetings of Governmental Entities**

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

*"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistol oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."*

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

*"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."*

**ADDENDUM  
CITY COUNCIL MEETING  
MARCH 28, 2018  
CITY OF DALLAS  
1500 MARILLA STREET  
COUNCIL CHAMBERS, CITY HALL  
DALLAS, TEXAS 75201  
9:00 A.M.**

ADDITIONS:

CONSENT ADDENDUM

**City Attorney's Office**

1. Resolution authorizing the City Manager to enter into an interim disclosure counsel contract with Orrick Herrington & Sutcliffe LLP, to expire on November 12, 2019, and terminate the City's existing disclosure counsel contract - Financing: Disclosure Counsel fees to be paid from bond proceeds, Current Funds, and/or enterprise funds, as applicable, contingent upon completion of each bond sale

**City Controller's Office**

2. A resolution authorizing the preparation of plans for issuance of General Obligation Refunding Bonds, Series 2018, in an amount not to exceed \$63,000,000 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future cost)

**Department of Transportation**

3. Adopt a resolution that lists support for the Dallas Area Rapid Transit Cotton Belt Project and conditions associated with such support to mitigate the impacts of the project - Financing: No cost consideration to the City

**ADDENDUM  
CITY COUNCIL MEETING  
MARCH 28, 2018**

**CORRECTION:**

**Office of Cultural Affairs**

20. A resolution authorizing further increasing: (1) total reimbursements to Dallas Center For The Performing Arts Foundation, Inc., by \$189,300 (from \$139,404 to a total of \$328,704) for payments made to Tait Towers Manufacturing LLC for additional emergency flood remediation and related repairs to theater automation systems completed by Tait Towers Manufacturing LLC at the Dee and Charles Wyly Theater located at 2400 Flora Street in an amount not to exceed \$189,300; and (2) an increase in appropriations in an amount not to exceed \$189,300 in the Office of Cultural Affairs budget - Not to exceed \$189,300 - Financing: Contingency Reserve Funds (to be reimbursed by property insurance)

**DELETION:**

**Department of Sustainable Development and Construction**

5. Authorize the **(1)** deposit of the amount awarded by the Special Commissioners' in the condemnation proceedings styled City of Dallas v. Pamela Samantha Keats, et al., Cause No. 98574-CC, pending in Dallas County Court at Law, to acquire approximately 902,535 square feet of land for right-of-way located in Kaufman County for the Lake Tawakoni 144-inch Pipeline Project; and (2) settlement of the condemnation proceeding for an amount not to exceed the award - Not to exceed \$208,700, increased from \$210,700 (\$207,200, plus closing costs and title expenses not to exceed \$3,500) to \$419,400 (\$414,400 being the award, plus closing costs and title expenses not to exceed \$5,000) - Financing: Water Utilities Capital Improvement Funds

**ADDENDUM DATE March 28, 2018**

ITEM		IND		DISTRICT	TYPE	DEPT.	DOLLARS	DESCRIPTION
#	OK	DEF						
1				N/A	C	ATT	NC	Resolution authorizing the City Manager to enter into an interim disclosure counsel contract with Orrick Herrington & Sutcliffe LLP, to expire on November 12, 2019, and terminate the City's existing disclosure counsel contract - Financing: Disclosure Counsel fees to be paid from bond proceeds, Current Funds, and/or enterprise funds, as applicable, contingent upon completion of each bond sale
2				N/A	C	CON	NC	A resolution authorizing the preparation of plans for issuance of General Obligation Refunding Bonds, Series 2018, in an amount not to exceed \$63,000,000 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future cost)
3				1, 2	C	TRN	NC	Adopt a resolution that lists support for the Dallas Area Rapid Transit Cotton Belt Project and conditions associated with such support to mitigate the impacts of the project - Financing: No cost consideration to the City

**TOTAL            \$0.00**

**ADDENDUM ITEM # 1**

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** March 28, 2018

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Attorney's Office

**CMO:** Larry Casto, 670-3491

**MAPSCO:** N/A

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**SUBJECT**

Resolution authorizing the City Manager to enter into an interim disclosure counsel contract with Orrick Herrington & Sutcliffe LLP, to expire on November 12, 2019, and terminate the City's existing disclosure counsel contract - Financing: Disclosure Counsel fees to be paid from bond proceeds, Current Funds, and/or enterprise funds, as applicable, contingent upon completion of each bond sale

**BACKGROUND**

This item was placed on the addendum to allow for disclosure counsel services to be in effect for the work required to be done in preparation for the pending General Obligation Refunding Bonds, Series 2018 bond sale offering.

The scope of services for this contract includes assisting City staff together with the financial advisor and bond counsel with disclosure services in connection with the issuance, sale, and delivery of City obligations. One of the obligations that the City has as a municipal securities issuer is compliance with disclosure requirements under federal security laws and Securities and Exchange Commission ("SEC") rules. Issuers of municipal bonds are obligated to ensure that the offering documents used in the offering of municipal bonds meet those requirements and are required to report annual financial information as well as notices of certain events that may affect their ability to repay the bonds. The City must file disclosure filings for all outstanding bond issues with the Municipal Securities Rulemaking Board ("MSRB") through Electronic Municipal Market Access ("EMMA"). Substantially, all of the responsibilities under this contract will be performed by attorneys.

In 2014, the City conducted a review of its compliance under the SEC's recent Municipalities Continuing Disclosure Cooperation initiative (the "MCDC"). Changes by the MSRB and the SEC have placed additional emphasis on disclosure by bond issuers, including independent verification of compliance with disclosure requirements. The MCDC was aimed at addressing violations of representations made by issuers in official statements about past compliance with continuing disclosure requirements.

## **BACKGROUND** (continued)

In order to further assure that the City meets its obligations, City staff and the City Attorney's Office issued a Request for Proposals in 2014 for the City to engage a law firm to serve as disclosure counsel. Disclosure counsel is an independent firm, separate from bond counsel, retained by the City to provide a legal opinion concerning accuracy of the information presented in disclosure and bond documents. With scrutiny of municipal disclosure increasing by the SEC and the MSRB, the engagement of disclosure counsel provides an added layer of assurance that the City's financial position is accurately presented in bond documents. Other projects outside of the issuance of bonds such as training for City staff and City Council with respect to disclosure rules, regulations and responsibilities, and such other matters were other tasks contained in the disclosure counsel solicitation.

In November 2014, Andrews Kurth LLP (now Andrews Kurth & Kenyon LLP and hereinafter "Andrews Kurth") and Gonzalez Saggio & Harlan LLP ("Gonzalez Saggio") were selected as the City's Disclosure Counsel and Co-Disclosure Counsel. In February 2016, the Gonzalez Saggio law firm abruptly ceased doing business and subsequently dissolved. Andrews Kurth continued providing services as the City's Disclosure Counsel. In early March 2018, prior to a pending merger of Andrews Kurth and Hunton & Williams LLP, a law firm based in Virginia, the majority of the Andrews Kurth lawyers who comprised that law firm's public finance section joined Orrick Herrington & Sutcliffe LLP ("Orrick"), a California-based firm with offices around the world, including Houston and Austin. The Andrews Kurth attorneys who had been working on the City of Dallas matters were all included in the group of attorneys who left Andrews Kurth for Orrick.

Based on the level of expertise and experience which the former Andrews Kurth attorneys possessed, including experience working with the City with regards to disclosures to the SEC related to the Dallas Police and Fire Pension System and other issues, the City Attorney recommends that the City terminate for convenience the existing Andrews Kurth disclosure counsel contract and retain Orrick as the City's interim disclosure counsel until November 11, 2019, which marks the end of the original Andrews Kurth/Gonzalez Saggio contract.

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 23, 2018, this item was included in a memorandum by the City Attorney to the City Council.



## **FISCAL INFORMATION**

The fees for legal services provided by the disclosure counsel firm in connection with the issuance, sale and delivery of the City's bonds are contingent upon the sale and delivery of the bonds and are payable from bond proceeds, Current Funds, and/or enterprise funds, as applicable and as follows:

### **FIRM**

Orrick Herrington & Sutcliffe LLP  
Disclosure Counsel

### **FEE**

Hourly rate fee for services rendered,  
plus an opinion fee of \$0.20 per \$1,000  
of increment of bonds issued

The hourly rates for the above listed disclosure counsel and co-disclosure counsel law firms are set forth on Attachment 1 to the resolution.

## **OWNERS/PRINCIPAL PARTNERS**

### **Orrick Herrington & Sutcliffe LLP**

Eric Johnson, Partner  
Adrian Patterson, Partner  
James Hernandez, Partner  
Tanya Fischer, Partner  
Rick Witte, Partner

March 28, 2018

**WHEREAS**, in November 2014, the City of Dallas, as a result of a competitive procurement solicitation, selected Andrews Kurth LLP (now Andrews Kurth Kenyon LLP and hereinafter referred to as “Andrews Kurth”) and Gonzalez Saggio & Harlan LLP as the City’s Disclosure Counsel & Co-Disclosure Counsel, respectively, as the most qualified and responsible law firms to perform the City’s public finance disclosure counsel legal services work for a five-year term ending on November 11, 2019; and

**WHEREAS**, in early 2016, Gonzalez Saggio & Harlan LLP abruptly ceased doing business and dissolved; and

**WHEREAS**, Andrews Kurth continued to perform public finance legal services pursuant to its contract with the City; and

**WHEREAS**, in early March 2018, a majority of the Andrews Kurth public finance attorneys, including all of the attorneys who had been performing the City’s public finance work for the previous three years, joined the Houston and Austin offices of the law firm of Orrick Herrington & Sutcliffe LLP (“Orrick”); and

**WHEREAS**, the former Andrews Kurth attorneys previously advised the City on complex matters, including disclosures to the Security and Exchange Commission related to the Dallas Police and Fire Pension System and other issues, and those attorneys are now all with Orrick; and

**WHEREAS**, the City Council finds there would be a benefit to the City to maintain continuity of counsel by having the former Andrews Kurth attorneys, now with Orrick, continue to provide disclosure counsel to the City; and

**WHEREAS**, due to the diminished capacity of Andrews Kurth to perform the City’s public finance disclosure counsel work and the expertise and experience of the attorneys now with Orrick, especially as to City of Dallas matters, the Dallas City Attorney recommends the Andrews Kurth disclosure counsel contract be terminated for convenience and the City now enter into an interim contract for disclosure counsel services with Orrick beginning on March 28, 2018 and ending on November 11, 2019.

**Now, Therefore,**

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

**SECTION 1.** That the City Attorney is authorized to terminate for convenience the existing disclosure counsel contract with Andrews Kurth.

March 28, 2018

**SECTION 2.** That the City Manager is hereby authorized to execute an interim disclosure counsel contract with Orrick Herrington & Sutcliffe LLP (VC18413), approved as to form by the City Attorney, in accordance with the hourly rates and opinion fees as set forth in Attachment I to this resolution, for a term beginning on March 28, 2018 and ending on November 11, 2019.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to pay Orrick Herrington & Sutcliffe LLP disclosure counsel fees from bond proceeds, Current Funds, and/or Enterprise Current Funds, as applicable, in accordance with the hourly rates and opinion fees set forth in Attachment I.

**SECTION 4.** That this resolution shall take effect on March 28, 2018, and it is accordingly so resolved.

## ATTACHMENT 1

### DISCLOSURE COUNSEL FEES

1. Prior to the performance of legal services in connection with a bond sale or other matter authorized pursuant to this engagement, Orrick Herrington & Sutcliffe LLP (hereinafter “Disclosure Counsel”) shall submit, in writing, to the City Attorney an estimate of the total hourly fees, expenses and costs (“estimate”) expected to be incurred by such law firm for each City bond sale or other authorized matter. Each estimate is subject to review and approval by the City Attorney.

Disclosure Counsel shall monitor its hourly billings, expenses and costs, and shall notify the City Attorney, in writing, within five (5) business days after the aggregate of the hourly billable fees, expenses and costs reach 75% of the approved estimate and whether the total hourly fees, expenses and costs to be billed will be in accordance with the approved estimate amount. If, upon reaching 75% of the approved estimate, the respective law firm determines that, due to additional services requested by the City or unforeseen matters (such as, delays in the issuance of bonds or changes in the scope of the bond financing), the total hourly fees, expenses and costs will exceed the approved estimate, then the respective law firm shall submit, in writing, for the City Attorney’s review and approval, a revised estimate of the total hourly fees, expenses and costs expected to be incurred. The City shall not be liable for payment of any amounts exceeding the approved estimate unless such additional amounts have been authorized pursuant to a revised estimate approved by the City Attorney. Failure of the respective law firm to notify the City, in writing, within five (5) business days of reaching 75% of the approved estimate amount as specified above, shall constitute a waiver of the respective Disclosure Counsel’s right to compensation for any portion of the total hourly fees, expenses and costs that exceed the approved estimate amount.

2. Fees for Disclosure Counsel services (“Disclosure Services”) in connection with a proposed sale of City bonds shall be contingent upon the sale and delivery of the City’s bonds and shall be payable solely from bond proceeds. Disclosure Services shall include, but not be limited to the following in connection with the authorization, issuance, sale or delivery of municipal securities:
  - reviewing and assisting in the preparation of the preliminary and final official statements and other disclosure documents necessary or appropriate to the issuance;
  - analyzing the requirements of SEC Rule 15c2-12, including available exemptions therefrom, preparing the continuing disclosure agreement and providing advice and assistance to the City in filing its Annual Information Statement and other filings, as necessary, to comply with SEC Rule 15c 2-12(b)(5);
  - reviewing the City’s audited year-end financial statements and obligations and reviewing the City’s web site and other publications relating to the City’s financial condition and outstanding and proposed bond issues, and presentations to rating agencies;

- consulting with and advising City officials and staff, financial advisors, bond counsel, underwriters and underwriters' counsel, as necessary or appropriate regarding their disclosure obligations under federal securities law including attendance at city council meetings and briefings identified as relating to disclosure obligations;
- analyzing and advising City staff on any disclosure issues or regulatory changes arising under federal securities law, including assistance in evaluating the materiality of such issues as well as assisting City staff in monitoring disclosure requirements to help staff ensure timely and complete disclosures;
- performing due diligence and preparing the SEC 10(b)(5) opinion relating to the disclosure documents, assisting in the performance of any necessary due diligence investigation, including attending city council meetings and briefings or being available for due diligence calls or meetings, as appropriate;
- participating, when requested, in activities associated with presenting information to rating agencies, potential investors, and/or credit enhancement providers relating to legal issues affecting the City's public finance transactions;
- consulting and advising the City regarding compliance with the City's continuing disclosure agreements when advised of facts that may require disclosure, as well as review of filings by the City on EMMA including the City's CAFR;
- assisting City staff in documenting and updating internal written policies and procedures with respect to disclosure activities, including both initial offering documents and ongoing disclosure obligations.

All fees for Disclosure Services are set forth below:

- (a) Contingent fees for Disclosure Services in connection with a proposed issuance of City bonds shall be:
  - (1) Payable at an hourly rate not to exceed \$300.00 per hour for partners with hourly fees scaled down from \$300.00 for Junior Partners, Senior Associates, Associates and paralegals for Disclosure Services rendered in connection with the issuance, sale, and delivery of the City bonds, plus
  - (2) An additional fee of \$0.20 per \$1,000\* in aggregate principal amount of each series of obligations actually delivered shall be payable upon provision at closing of a negative assurance letter regarding the City's disclosure in customary form reasonably satisfactory to the City. Such fee shall not exceed 70% of the additional fee charged by City's bond counsel or \$0.315 per \$1,000 of increment of bonds when Disclosure Counsel's fees are aggregated.
3. In addition to the above Disclosure Services, Disclosure Counsel shall be available to provide services at the same hourly rates noted above as directed by the City Attorney that may include similar projects outside of the issuance of bonds such as training for City staff and City Council with respect to disclosure rules, regulations and responsibilities and such other matters listed in the RFQ.

\*Note: The current rate for bond counsel is \$0.45 per \$1,000 of increment of bonds. Accordingly, the total additional fee for Disclosure Services shall not exceed 70% of that amount or \$0.315 per \$1,000 of increment of bonds.

**ADDENDUM ITEM # 2**

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** March 28, 2018

**COUNCIL DISTRICT(S):** N/A

**DEPARTMENT:** City Controller's Office

**CMO:** Elizabeth Reich, 670-7804

**MAPSCO:** N/A

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**SUBJECT**

A resolution authorizing the preparation of plans for issuance of General Obligation Refunding Bonds, Series 2018, in an amount not to exceed \$63,000,000 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future cost)

**BACKGROUND**

This item was placed on the addendum to facilitate financing of payments to be made to plaintiffs, under the terms of a written settlement agreement as incorporated in a judgment to be entered by the 199<sup>th</sup> Judicial District Court in Collin County.

On November 14, 2017, by Resolution No. 17-1805, the City Council approved settlement of the lawsuits styled Kenneth E. Albert, et al. v. The City of Dallas, Texas, Cause No. 199-00697-94, Anthony Arredondo, et al. v. The City of Dallas, Texas, Cause No. 199-01743-99, David L. Barber, et al., v. The City of Dallas, Texas, Cause No. 199-00624-95, and Kevin Michael Willis, et al. v. The City of Dallas, Texas, Cause No. 199-00200-95, in an amount not to exceed \$61,687,000 provided that the plaintiffs and the City mutually agreed on the terms of a written settlement agreement.

The City anticipates that the 199<sup>th</sup> Judicial District Court in Collin County, Texas will enter a judgment in the above-referenced lawsuits incorporating the terms of the written settlement agreement. Resolution No. 17-1805 also authorizes the Chief Financial Officer to make payments to plaintiffs from a future bond issuance. The City's Financial Advisors recommend that the City prepare for an issuance of general obligation refunding bonds in a principal amount not to exceed \$63,000,000 in satisfaction of the judgment. The ordinance authorizing the sale of the bonds will be presented to City Council for approval after the judgment has been entered.

**ESTIMATED SCHEDULE OF PROJECT**

Authorize preparation for Issuance of Bonds	March 2018
Approval of parameters ordinance	April 2018
Pricing	May 2018
Delivery of Proceeds	May 2018

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

On November 14, 2017, City Council was briefed on the proposed settlement and approved the terms of a written settlement agreement by Resolution No. 17-1805.

**FISCAL INFORMATION**

This action has no cost consideration to the City. Payment for cost of issuance is not made unless the bonds are issued. The anticipated cost of issuance is \$330,350 from FY 2017-18 General Funds. See Attachment I.

**M/WBE INFORMATION**

See Attachment I for M/WBE participation.



## Attachment I

**Series 2018  
General Obligation Refunding Bonds  
\$63,000,000**

Estimate of Total Bond Issuance Costs and M/WBE Participation

<b>Co-Bond Counsel</b>		
Norton Rose Fulbright, US LLP (Vendor VC0000006239)	\$75,000	23%
Mahomes Bolden PC	\$60,000	18%
<b>Disclosure Counsel</b>		
Orrick Herrington & Sutcliffe LLP (Vendor VC18413)	25,100	8%
<b>Financial Advisor</b>		
PFM (Vendor VC16222)	60,350	18%
<b>Printing Fee</b>		
TBD	3,000	1%
<b>Rating Agencies</b>		
Fitch Ratings (Vendor VC14720)	35,000	11%
S&P Global (Vendor 954974)	50,000	15%
<b>Auditor</b>		
Grant Thornton (Vendor VS0000007921)	7,400	2%
<b>Attorney General Filing Fee</b>		
	9,500	3%
<b>Misc. Expenses</b>		
	<u>\$5,000</u>	<u>2%</u>
<b>Total Issuance Costs</b>		
	<u><u>\$330,350</u></u>	<u><u>100%</u></u>
Total M/WBE Participation as % of Total Issuance Costs:	\$63,000	19%

March 28, 2018

**WHEREAS**, on November 14, 2017, by Resolution No. 17-1805, the City Council approved settlement of the lawsuits styled *Kenneth E. Albert, et al. v. The City of Dallas, Texas*, Cause No. 199-00697-94, *Anthony Arredondo, et al. v. The City of Dallas, Texas*, Cause No. 199-01743-99, *David L. Barber, et al., v. The City of Dallas, Texas*, Cause No. 199-00624-95, and *Kevin Michael Willis, et al. v. The City of Dallas, Texas*, Cause No. 199-00200-95, in an amount not to exceed \$61,687,000, provided that the plaintiffs and the City mutually agree on the terms of a written settlement agreement; and

**WHEREAS**, the City anticipates that the 199<sup>th</sup> Judicial District Court in Collin County, Texas will enter a judgment in the above-referenced lawsuits incorporating the terms of the written settlement agreement; and

**WHEREAS**, the Chief Financial Officer was authorized, by Resolution No. 17-1805, to make payments to plaintiffs from a future bond issuance; and

**WHEREAS**, the City Council hereby finds that, in order to accomplish the bond issuance in a timely and cost-efficient manner, the City Manager, the City Attorney, the City's Financial Advisors, the City's Co-Bond Counsel, and the City's Disclosure Counsel (collectively, the "Necessary Parties") should be authorized and directed to take such action and prepare documents as necessary in order to accomplish the bond issuance.

**Now, Therefore,**

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

**SECTION 1.** That the Necessary Parties are hereby authorized to take action and prepare documents, including, without limitation, the actions specified in this resolution, needed to accomplish the sale of General Obligation Refunding Bonds, Series 2018 (the "Bonds"), in a principal amount not to exceed \$63,000,000, with the sale of the Bonds scheduled to occur in a timely manner.

**SECTION 2.** That the Necessary Parties are hereby authorized and directed to prepare an Official Statement with respect to such obligations and to take such other action and prepare such other documents as are necessary and incidental to the issuance, sale, and delivery of the bonds.

**SECTION 3.** That the City Manager is hereby authorized to use the previously contracted professional services of PFM as Financial Advisors for the sale of the Bonds. Payment for the advisory services of PFM (Vendor VC16222) is estimated to be \$60,350 and shall be made from proceeds after delivery of the Bonds.

March 28, 2018

**SECTION 4.** That the City Manager is hereby authorized to use the previously contracted professional services of Norton Rose Fulbright US LLP (Vendor VC0000006239) and Mahomes & Bolden PC (Vendor VS0000051822) as Co-Bond Counsel in connection with the sale and delivery of the Bonds. Payment for the opinion of Norton Rose Fulbright US LLP shall be at the rate of \$0.30 per \$1,000 increment of obligations issued plus an hourly rate of \$150.00 to \$475.00 for services rendered by individual attorneys and paralegals (estimated at a combined amount not to exceed \$75,000), and shall be made from the proceeds after delivery of the Bonds. Payment for the opinion of Mahomes & Bolden PC (Vendor VS0000051822) shall be at the rate of \$0.30 per \$1,000 increment of obligations issued plus an hourly rate of \$150.00 to \$475.00 for services rendered by individual attorneys and paralegals (estimated at a combined amount to be \$60,000), and shall be made from the proceeds after delivery of the Bonds.

**SECTION 5.** That the City Manager is hereby authorized to use contracted professional services of Orrick Herrington & Sutcliffe LLP (Vendor VC18413) as Disclosure Counsel in connection with the sale and delivery of the Bonds. Payment for the opinion of Orrick Herrington & Sutcliffe LLP shall be at the rate of \$0.20 per \$1,000 increment of obligations issued plus an hourly rate of \$150.00 to \$475.00 for services rendered by individual attorneys and paralegals (estimated at a combined amount to be \$ 25,100), and shall be made from the proceeds after delivery of the Bonds.

**SECTION 6.** That the City Manager is hereby authorized to obtain bond ratings from Fitch Ratings (Vendor VC14720) and from Standard & Poor's, Inc. (Vendor 954974) in connection with the sale of the Bonds. Payment for the bond ratings is estimated to be \$85,000 and shall be made from proceeds after delivery of the Bonds.

**SECTION 7.** That the Chief Financial Officer is hereby authorized to use the previously contracted professional services of Grant Thornton L.L.P. to obtain an independent auditor's consent letter in connection with the sale and delivery of the Bonds. Payment for the services of Grant Thornton L.L.P. (Vendor VS0000007921) is estimated to be \$7,400 and shall be made from the proceeds after delivery of the Bonds.

**SECTION 8.** That the Chief Financial Officer is hereby authorized to make payments for printing services to print and mail official statements. Payment for printing services is estimated to be \$5,000 and shall be made from the proceeds after delivery of the Bonds.

**SECTION 9.** That the Chief Financial Officer is hereby authorized to make payment to U.S. Bank National Association for services provided as paying agent/registrar with respect to the bonds at an annual cost of \$400 plus mailing expenses from the General Fund 0001, Department CCO, Unit 1126, Object 3537, (Vendor VS0000052040) upon issuance of the Bonds.

March 28, 2018

**SECTION 10.** That the proceeds received from the sale of the Bonds shall be deposited in General Fund, Fund 0001, Unit W257, Revenue Code 8448. Any accrued interest from these proceeds will be deposited in the Debt Service Fund, Fund 0981, Department BMS, Revenue Code 8438.

**SECTION 11.** That the City Manager is hereby authorized and directed to file an Official Statement with respect to such bonds and prepare such other documents as are necessary and incidental to the issuance, sale and delivery of the bonds with the Attorney General; and that the Chief Financial Officer be and is hereby authorized to make the payment for filing with the Attorney General's office (Vendor 344989) prior to receiving the Bond proceeds. The cost is estimated to be \$9,500 and shall be made from the General Fund, Fund 0001, Department CCO, Unit 1126, Object 3537 and shall be reimbursed from proceeds.

**SECTION 12.** That the Chief Financial Officer is hereby authorized to make payments for miscellaneous services relating to the sale of the bonds. Payments for the miscellaneous services are estimated to be \$5,000 and shall be made after delivery of the Bonds.

**SECTION 13.** That this resolution shall take effect on March 28, 2018, and it is accordingly so resolved.

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** March 28, 2018

**COUNCIL DISTRICT(S):** 1, 2

**DEPARTMENT:** Department of Transportation

**CMO:** Majed Al-Ghafry, 670-3302

**MAPSCO:** 4Z 5M P Q R S T W 6J K

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**SUBJECT**

Adopt a resolution that lists support for the Dallas Area Rapid Transit Cotton Belt Project and conditions associated with such support to mitigate the impacts of the project - Financing: No cost consideration to the City

**BACKGROUND**

Dallas Area Rapid Transit (DART) plans to build a 26-mile Cotton Belt commuter rail line between Dallas/Fort Worth International (DFW) Airport and Shiloh Road in the City of Plano. The project schedule has been advanced from 2035 to 2022 in DART’s Fiscal Year 2018, Twenty-year Financial Plan by taking advantage of the Railroad Rehabilitation and Improvement Financing (RRIF) loan program through the Federal Railroad Administration.

The project is currently at the 10 percent design phase, and DART has prepared a Draft Environmental Impact Statement (DEIS) for public review and comment. It is incumbent on DART to demonstrate that the impacts from the proposed Cotton Belt Project are thoroughly evaluated and mitigated. These impacts include noise and vibration impacts, visual impacts, traffic impacts (on City streets), socioeconomic impacts and others. At the conclusion of the environmental review process, the Federal Transit Administration (FTA) will approve a final Environmental Impact Statement (EIS).

As part of public outreach and a thorough project review, DART has held a number of public meetings in each of the communities seeking stakeholder’s input on the project. In addition, state law requires DART to hold a public hearing prior to making any significant change to the Service Plan. A Service Plan Amendment public hearing is planned to be held on March 27, 2018 at DART Headquarters to receive comments on the alignment deviations, grade separations, station locations and facility locations. One alignment deviation involves a change in station location and rail line for the station near the Cypress Waters development in the northwest section of Dallas.

**BACKGROUND** (continued)

DART has requested a Resolution from the City of Dallas supporting the aforementioned deviation from the proposed alignment. This action will provide direction to the DART Board indicating the City's support for the proposed change in alignment and location of the rail station for the Cotton Belt near the Cypress Waters development. This action will also communicate to the DART Board the conditions associated with the Dallas City Council support for the Cotton Belt Project, based on extensive community input from residents in Far North Dallas.

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

The Mobility Solutions, Infrastructure and Sustainability Committee will be briefed on March 26, 2018.

**FISCAL INFORMATION**

No cost consideration to the City.

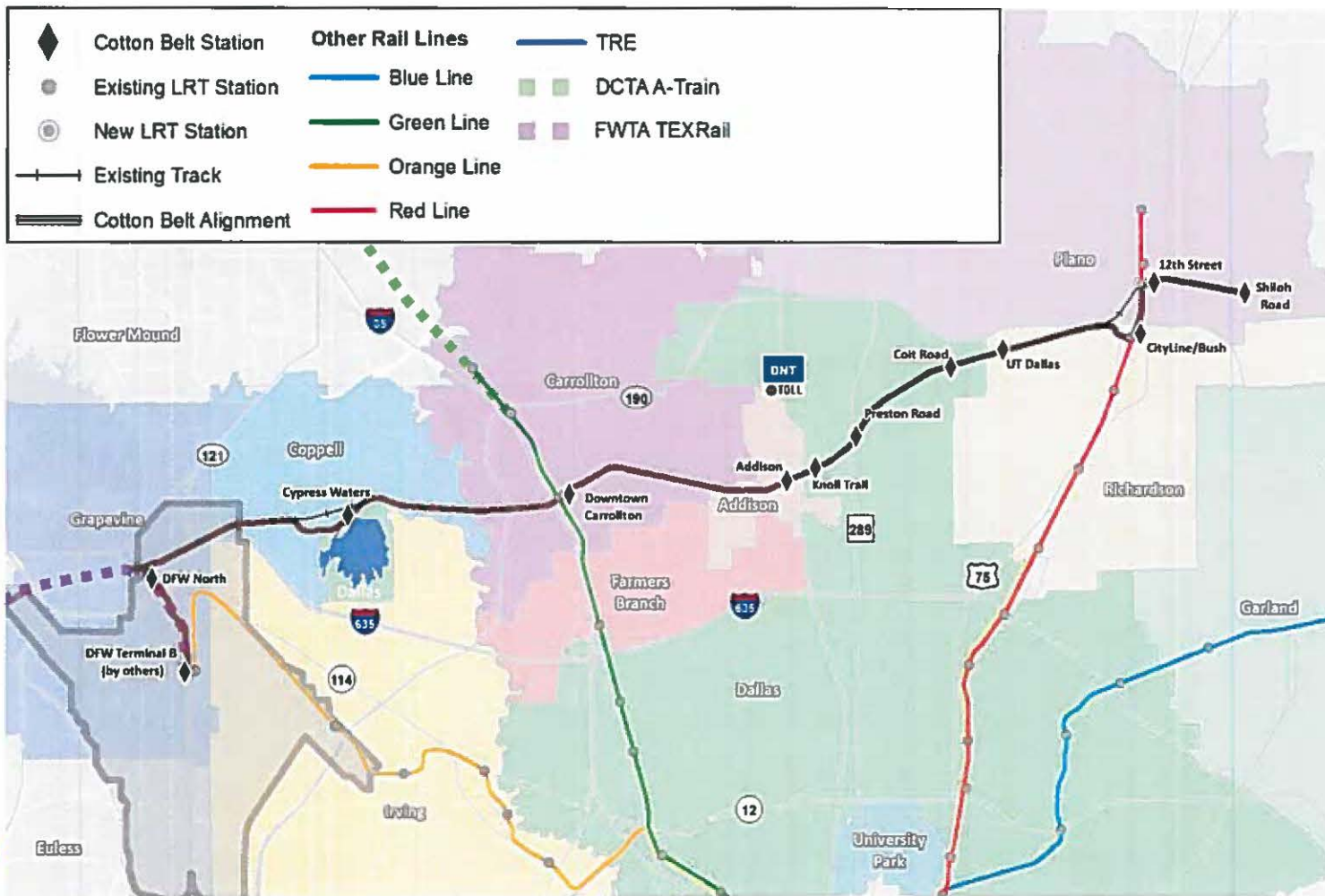
**MAP**

Attached

## Cotton Belt Rail Project

# Alignment & Stations

MAPSCO:  
4Z 5M P Q R S T W 6J K



March 28, 2018

March 28, 2018

**WHEREAS**, the Dallas Area Rapid Transit (DART) plans to build the 26-mile Cotton Belt Project rail line between Dallas/Fort Worth (DFW) Airport and Shiloh Road in Plano; and

**WHEREAS**, the Cotton Belt rail line goes through the cities of Plano, Richardson, Dallas, Addison, and Carrollton; and

**WHEREAS**, the Cotton Belt Project passes through a three-mile section of North Dallas in an area that is mainly residential, and includes many schools and parks near the rail line; and in another area of Dallas known as Cypress Waters that is a proposed mixed used development area; and

**WHEREAS**, the existing Cotton Belt Project has twelve at-grade street crossings in the City of Dallas and one grade-separated street crossing at Preston Road; and

**WHEREAS**, the proximity of residential homes, schools, parks and at-grade street crossings raises significant community safety concerns, as well as issues related to noise, vibration, and visual impacts; and

**WHEREAS**, DART is currently engaged in developing a Draft Environmental Impact Statement (DEIS) for the Cotton Belt Project; and

**WHEREAS**, the DEIS will identify the Cotton Belt Project alignment, grade separations for street crossings, station locations, and mitigation measures required to meet Federal Transit Administration (FTA) requirements; and

**WHEREAS**, the DART Board has a “Betterments” policy that provides funding and a community involvement process for enhancements that would be in addition to the mitigation measures required by the FTA; and

**WHEREAS**, the DART Board considered committing \$50 million toward mitigation measures for the Cotton Belt Project in Far North Dallas, but later changed its Resolution language to apply the \$50 million to the entire 26 miles and then approved Resolution No. 060177 in 2006; and

**WHEREAS**, on October 24, 2017, DART staff briefed the DART Board Planning Committee and communicated that the approved language in the resolution was intended for betterments, not mitigation; and

**WHEREAS**, DART did not stipulate in the resolution or subsequent action that the funding amount would be adjusted for inflation; and



March 28, 2018

**WHEREAS**, freight service on the Cotton Belt rail line is not currently permitted within the City of Dallas and Dallas requests written assurances that freight service will never be allowed on the Cotton Belt rail line between Waterview Parkway and the Dallas North Tollway; and

**WHEREAS**, the 2011 City of Dallas Bike Plan identifies a bicycle-pedestrian trail within the Cotton Belt rail corridor between Waterview Parkway and the Dallas North Tollway.

**Now, Therefore,**

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

**SECTION 1.** That the City Council supports the Cotton Belt Project only if the following conditions are approved by the DART Board before a construction contract for the line is awarded:

- Rail stations within the City of Dallas are only provided at two locations, Cypress Waters and Knoll Trail. The Preston Road/Keller Springs and Coit Road stations are eliminated from the project, and
- Grade-separated street crossings are constructed at Hillcrest Road and Coit Road. Infrastructure changes are at-grade or below grade, and
- Mitigation and Betterments are provided throughout the residential communities in Far North Dallas to mitigate adverse impacts including, at a minimum:
  - A. Continuous 15-foot high concrete, sound-absorbing walls that meet the 3dBA Ldn limits at all residences on both sides of the rail line,
  - B. Tire-derived aggregate for track ballast to reduce vibration,
  - C. Enhanced landscaping to reduce visual impacts,
  - D. Double gated, lower height crossings and quiet zones at all at-grade street crossings to improve safety and to reduce noise,
  - E. Train Noise shall not exceed current community noise levels by more than 3dBa Ldn at maximum headways,
  - F. Vibration levels – the standard of reference for human exposure to vibrations in buildings will be ANSI S2.7-1983 (R2006), or 65 vdB peak vibration level,
  - G. Directional crossing bells in all quiet zones that adhere to the lowest/quietest federal safety limits. DART will employ all practical measures to obscure sound intrusions from the bells into the residences, and

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**SECTION 1.** (continued)

- DART will enter into an Interlocal Agreement with the City of Dallas to assure that freight service will never be allowed on the Cotton Belt rail line between Waterview Parkway and the Dallas North Tollway, and
- Cooperation is provided in the development and implementation of a bicycle-pedestrian trail within the Cotton Belt corridor outside of the sound walls consistent with the 2011 Dallas Bike Plan, subject to neighborhood input.

**SECTION 2.** That the City Council supports the proposed change in alignment and the location of a rail station for the Cotton Belt Project near the Cypress Waters development within the city of Dallas.

**SECTION 3.** That the DART Board increases its \$50 million commitment to provide betterments in residential areas of the Cotton Belt corridor, adjusts the funding amount to reflect inflation since their resolution was approved in 2006, and stipulate that these funds will be used to provide betterments that would be in addition to the mitigation measures required by the FTA.

**SECTION 4.** That the DART Board uses the funds budgeted for the eliminated Preston Road/Keller Springs and Coit Road stations on betterments for the Far North Dallas portion of the rail line.

**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.

**REVISED AGENDA ITEM # 20**

**STRATEGIC PRIORITY:**

Government Performance and Financial Management

**AGENDA DATE:**

March 28, 2018

**COUNCIL DISTRICT(S):**

14

**DEPARTMENT:**

Office of Cultural Affairs  
Office of Budget

**CMO:**

Joey Zapata, 670-1204  
Elizabeth Reich, 670-7804

**MAPSCO:**

N/A

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**SUBJECT**

A resolution ~~authorizing further increasing: (1) total reimbursements to Dallas Center For The Performing Arts Foundation, Inc., by \$189,300 (from \$139,404 to a total of \$328,704) for payments made to Tait Towers Manufacturing LLC for additional emergency flood remediation and related repairs to theater automation systems completed by Tait Towers Manufacturing LLC at the Dee and Charles Wyly Theater-located at 2400 Flora Street in an amount not to exceed \$189,300; and (2) an increase in appropriations in an amount not to exceed \$189,300 in the Office of Cultural Affairs budget - Not to exceed \$189,300 - Financing: Contingency Reserve Funds (to be reimbursed by property insurance)~~

**BACKGROUND**

On March 30, 2017, a contractor working on the fire safety system at the Dee and Charles Wyly Theater, a City-owned cultural facility operated by Dallas Center For The Performing Arts Foundation, Inc. d/b/a AT&T Performing Arts Center (ATTPAC), located at 2400 Flora Street, inadvertently triggered the building's fire suppression system, which released a tremendous deluge of water into the theater, inundating the space, fixtures and theatrical equipment.

On November 8, 2017, City Council authorized a bridge payment to ATTPAC to reimburse expenses from Mooring Recovery Services, Inc. for emergency flood remediation and related repairs at the Wyly Theater, in an amount not to exceed \$139,403.87, by Resolution No. 17-1735.

Additional flood remediation and repair services have been required for theatrical equipment in the building. Tait Towers Manufacturing LLC, which specializes in theater automation systems, was engaged by ATTPAC to repair and replace the master control computer which controls the theater's lifts, relays, and safety system.

**BACKGROUND** (continued)

This action seeks authorization to reimburse ATTPAC for such additional payments made to Tait Towers Manufacturing LLC for theater system repairs and replacement. Per the use agreement for the venue, the City is responsible for property insurance against loss or damage to the premises. Staff is working on an insurance claim and a settlement with the vendor whose employee was responsible for the incident. Once settled, the City is expected to be fully reimbursed for these costs.

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

Information about this item was provided to the Government Performance and Financial Management Committee on March 19, 2018.

**FISCAL INFORMATION**

Contingency Reserve Funds - \$189,300 (to be reimbursed by property insurance)

March 28, 2018

**WHEREAS**, on March 30, 2017, a contractor working on the fire safety system at the Dee and Charles Wylie Theater located at 2400 Flora Street inadvertently triggered the building's fire suppression system, which released a tremendous deluge of unclean water into the theater; and

**WHEREAS**, Dallas Center For The Performing Arts Foundation, Inc., d/b/a AT&T Performing Arts Center (ATTPAC), which manages the facility on behalf of the City, responded to this emergency by contracting for flood remediation services, and temporary repairs and painting to theater fixtures including seats and floors, walls and ceiling; and

**WHEREAS**, additionally, the theater automation system was severely damaged, requiring replacement of the master control computer which controls lifts, relays and safety systems, for which ATTPAC hired and rendered payment to Tait Towers Manufacturing LLC for this service; and

**WHEREAS**, on November 8, 2017, the City Council authorized a bridge payment to ATTPAC to reimburse expenses from Mooring Recovery Services, Inc. for emergency flood remediation and related repairs at the Wylie Theater, in an amount not to exceed \$139,403.87, by Resolution No. 17-1735; and

**WHEREAS**, the City desires to make an additional bridge payment to ATTPAC to reimburse expenses from Tait Towers Manufacturing LLC for theater system repairs and replacement at the Dee and Charles Wylie Theater, in an amount not to exceed \$189,300.00 for a total reimbursement of \$328,704.00 for both repairs; and

**WHEREAS**, it is anticipated that these expenses will be recovered by the City upon the insurance claim settlement now in-process.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to reimburse Dallas Center For The Performing Arts Foundation, Inc. for payments made to Tait Towers Manufacturing LLC for theater system repairs and replacement at the Dee and Charles Wylie Theater located at 2400 Flora Street, in an amount not to exceed \$189,300.00.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to transfer funds in an amount not to exceed \$189,300.00 from Fund 0001, Department NBG, Unit 1000, Revenue Code RTRF, to Fund 0001, Department OCA, Unit 4903, Revenue Code 9229; and a clearing entry, in the same amount, to Fund 0001, Department BMS, BSA 0991 (Debit) and to Fund 0001, Department BMS, Balance Sheet Account 0950 (Credit).

March 28, 2018

**SECTION 3.** That the City Manager is hereby authorized to increase the Office of Cultural Affairs appropriations in an amount not to exceed \$189,300.00, from \$20,710,467.00 to \$20,899,767.00 in the General Fund, Fund 0001, Department OCA, Unit 4903, Object 3210; increase total General Fund expenditure appropriations by \$189,300.00, from \$1,278,623,588.00 to \$1,278,812,888.00; and increase total General Fund revenue appropriations by \$189,300.00, from \$1,278,623,588.00 to \$1,278,812,888.00.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$189,300.00 to Dallas Center For The Performing Arts Foundation, Inc. (Vendor VS0000004959) from Fund 0001, Department OCA, Unit 4903, Object 3210, Encumbrance/Contract No. CX-OCA-2018-00005717.

**SECTION 5.** That the Chief Financial Officer is hereby authorized to deposit any funds received from insurance for claim eligible expenses into General Fund, Fund 0001, Department OCA, Unit 4903, Revenue Code 8519.

**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.