

RECEIVED

**GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT**

DALLAS CITY COUNCIL COMMITTEE AGENDA

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2019 MAY 17 PM 12:48

CITY SECRETARY  
DALLAS, TEXAS

MONDAY, MAY 20, 2019  
CITY HALL  
COUNCIL BRIEFING ROOM, 6ES  
1500 MARILLA STREET  
DALLAS, TEXAS 75201  
2:00 P.M. – 3:30 P.M.

**Chair**, Councilmember Jennifer S. Gates  
**Vice-Chair**, Councilmember Scott Griggs  
Councilmember Sandy Greyson  
Councilmember Lee M. Kleinman  
Councilmember Philip T. Kingston  
Councilmember Tennell Atkins  
Councilmember Kevin Felder

Call to Order

1. Consideration of Minutes from the May 6, 2019 Government Performance & Financial Management Committee meeting
2. Consideration of Upcoming Agenda Items for May 22, 2019 City Council Meeting

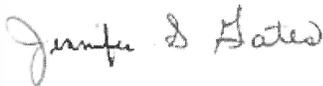
**BRIEFINGS**

3. Voluntary Employee Benefits and Family and Medical Leave Administration Nina Arias, *Director*  
Human Resources

**FYI**

5. Budget Accountability Report – March 2019

Adjourn



Jennifer S. Gates, Chair  
Government Performance & Financial Management Committee

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

#### 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 pistola 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."*

# GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

## Meeting Record

**Meeting Date:** May 6, 2019

**Convened:** 2:02 pm

**Adjourned:** 2:29 pm

**Committee Members Present:**

Scott Griggs (Vice Chair)  
Sandy Greyson  
Lee Kleinman

Tennell Atkins  
Kevin Felder  
Philip Kingston

**Committee Members Absent:**

Jennifer S. Gates (Chair)

**Other Council Members Present:**

**Staff Present:**

Elizabeth Reich  
Anne Lockyer  
Jenifer West  
Lance Sehorn  
Sheri Kowalski

Barbara McAninch  
Chhunny Chhean  
Joanna Salas  
Mark Swann  
Don Knight

Nick Fehrenbach  
Jack Ireland  
Bob Sims  
Chris Caso  
Kelly High

Tim Oliver

**AGENDA:**

**Call to Order**

1. **Consideration of the April 15, 2019 Minutes**

Presenter(s): N/A

Information Only:

Action Taken/Committee Recommendation(s): Approved

A motion was made to approve the April 15, 2019 minutes. The motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Kevin Felder

2. **Consideration of the Upcoming Agenda Items for May 8, 2019 City Council Meeting**

Presenter(s): N/A

Information Only:

Action Taken/Committee Recommendation(s):

A motion was made to forward all items (except the Atmos item briefed later) to full council. The motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Kevin Felder

# GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

## Meeting Record

### Briefings

3. **DFW International Airport Supplemental Bond Ordinance 2019**

Presenter(s): Chris Poinatte, Chief Financial Officer, DFW International Airport

Information Only:

Action Taken/Committee Recommendation(s):

Chris Poinatte presented a briefing on supplemental bond ordinances for which DFW is seeking Council approval.

A motion was made to move item forward with recommendation of support. The motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Philip Kingston

4. **Atmos' Dallas Annual Rate Review Filing**

Presenter(s): Nick Fehrenbach, Manager of Regulatory Affairs, Office of Budget; Norman Gordan, Attorney and Counselor at Law; Mark Garrett, Garrett Group LLC

Information Only:

Action Taken/Committee Recommendation(s):

Nick Fehrenbach presented a briefing on the Atmos rate filing. Councilmembers had questions about the shareholder dividend and the rate of infrastructure repair.

A motion was made to forward addendum item #5, the rate denial item to full council with recommendation for approval. The motion passed unanimously.

Motion made by: Sandy Greyson

Motion seconded by: Lee Kleinman

### FYI

5. **Oncor Application for Increased Electric Rates**

Presenter(s): N/A

Information Only:

Action Taken/Committee Recommendation(s):

A motion was made to forward agenda item #11, the item denying Oncor's application, to full council with recommendation for approval. The motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Philip Kingston

Adjourn

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Scott Griggs, Vice Chair  
Government Performance & Financial Management



Agenda Information Sheet

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**File #:** 19-552

**Item #:** 28.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize a two-year service price agreement for refuse truck body and chassis original equipment manufacturer parts and labor services for the Equipment and Fleet Management Department - Industrial Power, LLC in the amount of \$970,375, Wastebuilt Southwest, LLC in the amount of \$871,765, Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light and Medium Duty in the amount of \$444,645, and Bond Equipment Company, Inc. in the amount of \$209,920, lowest responsible bidders of four - Total not to exceed \$2,496,705 - Financing: General Services Fund

**BACKGROUND**

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for goods or services, for a specific term, which are ordered on an as needed basis.

This service price agreement will be used by the Equipment and Fleet Management Department to purchase refuse truck body and chassis original equipment manufacturer parts and labor services. The City has 509 pieces of refuse vehicles. This service price agreement will be used to supplement the City's need for factory authorized service repairs to City refuse vehicles and equipment necessary to keep the equipment in good, reliable condition.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 13,530 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of 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, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.15; the selected vendors meet this requirement.

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

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Services Fund - \$2,496,705.00

FY 2018-19 \$832,234.98

FY 2019-20 \$832,234.98

FY 2020-21 \$832,235.04

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$2,496,705.00	Other Services	N/A	N/A	N/A
<ul style="list-style-type: none"> <li>M/WBE goal waived due to no M/WBE availability</li> </ul>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> <li>Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>Negotiations are not allowed</li> </ul>
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The Office of Procurement Services received the following bids from solicitation number BN1901. We opened them on January 25, 2019. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidders.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Industrial Power, LLC	712 N. Beach Street Fort Worth, TX 76111	\$970,375.00
*Wastebuilt Southwest, LLC	2025 Old Mill Run Garland, TX 75042	\$871,765.00
*Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light And Medium Duty	4000 Irving Boulevard Dallas, TX 75247	\$444,645.00
*Bond Equipment Company, Inc.	2946 Irving Boulevard Dallas, TX 75247	\$209,920.00

**OWNERS****Industrial Power, LLC**

Robert O'Neil, President  
Brian O'Neil, Vice President

**Wastebuilt Southwest, LLC**

Edward M. Carrol, Chief Executive Officer  
James J. Pfeiffer, Executive Vice President

**Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light and Medium Duty**

W.M. "Rusty" Rush, President  
Derrek R. Weaver, Vice President

**Bond Equipment Company, Inc.**

James A. Bond, President  
Richard A. Bond, Vice President  
Elizabeth A. Bond, Secretary

May 22, 2019

**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 price agreement with Industrial Power, LLC (VS0000061538) in the amount of \$970,375, Wastebuilt Southwest, LLC (VS0000083650) in the amount of \$871,765, Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light and Medium Duty (VS0000078878) in the amount of \$444,645, and Bond Equipment Company, Inc. (VS0000047605) in the amount of \$209,920, approved as to form by the City Attorney, for refuse truck body and chassis original equipment manufacturer parts and labor services for the Equipment and Fleet Management Department, in a total amount not to exceed \$2,496,705. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Industrial Power, LLC, Wastebuilt Southwest, LLC, Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light and Medium Duty, and Bond Equipment Company, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Industrial Power, LLC, Wastebuilt Southwest, LLC, Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light and Medium Duty, and Bond Equipment Company, Inc. under the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,496,705 to Industrial Power, LLC, Wastebuilt Southwest, LLC, Rush Truck Centers of Texas, LP dba Rush Truck Center, Dallas Light and Medium Duty, and Bond Equipment Company, Inc. from Service Price Agreement No. EFM-2019-00008399.

**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 Information Sheet

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**File #:** 19-522

**Item #:** 29.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize a three-year service price agreement for pre-employment polygraph testing and examination services for the Fire-Rescue Department and the Police Department - Ruiz Protective Service, Inc. in an estimated amount of \$432,675.60 and Dallas Polygraph Services in an estimated amount of \$52,500.00, lowest responsible bidders of two - Total estimated amount of \$485,175.60 - Financing: General Fund

**BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will provide pre-employment polygraph testing and examination services for the Fire-Rescue Department and the Police Department. Polygraph examinations will be conducted utilizing appropriately structured and validated polygraph examination techniques as is appropriate for pre-employment polygraph examinations conducted for applicants.

In this solicitation, the Office of Procurement Services required bidders to submit a response using unit pricing. This bid resulted in a 23.69 percent increase over comparable prices for the bids awarded in 2015.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 5,597 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of 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, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.15; the selected vendors meet this requirement.

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

On April 8, 2015, City Council authorized a three-year service contract for pre-employment polygraph examinations for Police with Ruiz Protective Service, Inc. and Dalhousie Polygraph Services, Inc. by Resolution No. 15-0644.

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Fund - \$485,175.60 (Estimated amount)

FY 2018-19 \$161,725.20

FY 2019-20 \$161,725.20

FY 2020-21 \$161,725.20

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$485,175.60	Other Services	23.80%	89.18%	\$432,675.60
<ul style="list-style-type: none"> <li>• This contract exceeds the M/WBE goal.</li> </ul>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul>
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The Office of Procurement Services received the following bids from solicitation number BL1903. We opened them on February 1, 2019. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by line.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Ruiz Protective Service, Inc.	2646 Andjon Drive Dallas, TX 75220	Line 1 - \$432,675.60 Line 2 - \$ 59,610.00
*Dallas Polygraph Services	9330 LBJ Freeway Suite 900 Dallas, TX 75243	Line 1 - \$498,750.00 Line 2 - \$ 52,500.00

### **OWNERS**

#### **Ruiz Protective Service, Inc.**

Hector Ruiz, President  
Robert Minnis, Vice President  
Sharon Vaughn, Secretary  
Andrew Ruiz, Treasurer

#### **Dallas Polygraph Services**

Avery D. "Skip" Ensley, President

May 22, 2019

**WHEREAS**, on April 8, 2015, City Council authorized a three-year service contract for pre-employment polygraph examinations for Police with Ruiz Protective Service, Inc. in the amount of \$320,400.00 and Dalhousie Polygraph Services, Inc. in the amount of \$40,000.00, in a total amount not to exceed \$360,400.00, by Resolution No. 15-0644.

**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 price agreement with Ruiz Protective Service, Inc. (354861) in an estimated amount of \$432,675.60 and Dallas Polygraph Services (VC20081) in an estimated amount of \$52,500.00, approved as to form by the City Attorney, for pre-employment polygraph testing and examination services for the Fire-Rescue Department and the Police Department for a term of three years, in a total estimated amount of \$485,175.60. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Ruiz Protective Service, Inc. and Dallas Polygraph Services shall be based only on the amount of the services directed to be performed by the City and properly performed by Ruiz Protective Service, Inc. and Dallas Polygraph Services under the contract. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$485,175.60, but not more than the amount of budgetary appropriations for this service price agreement during its term to Ruiz Protective Service, Inc. and Dallas Polygraph Services from Service Price Agreement No. DPD-2019-00008735.

**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 Information Sheet

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**File #:** 19-585

**Item #:** 30.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize a five-year service price agreement for the purchase, supply, selection, cataloging, and physical processing of library printed materials for the Dallas Public Library - Brodart Co., lowest responsible bidder of four - Estimated amount of \$21,362,250 - Financing: General Fund

**BACKGROUND**

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will allow for the purchase and processing of approximately 975,000 library books. The books purchased will be cataloged, inventoried and processed (barcodes, RFID tags, labels, and covers) by the vendor, arriving at the Library "shelf ready" and ready for immediate availability.

There are currently 27 branch libraries, Bookmarks at NorthPark Center and the Central Library. In FY2018, patrons checked out over 12 million items from the Dallas Public Library.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 95 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of 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, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.15; the selected vendor meets this requirement.

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

On February 12, 2014, City Council authorized a five-year service contract for the purchase and processing of library books with Brodart Co. by Resolution No. 14-0290.

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Fund - \$21,362,250.00 (Estimated amount)

- FY 2018-19 \$1,667,250.00
- FY 2019-20 \$3,939,000.00
- FY 2020-21 \$3,939,000.00
- FY 2021-22 \$3,939,000.00
- FY 2022-23 \$3,939,000.00
- FY 2023-24 \$3,939,000.00

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$21,362,250.00	Goods	N/A	N/A	N/A
• M/WBE Goal Waived due to no M/WBE availability				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul>
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The Office of Procurement Services received the following bids from solicitation number BT1908. We opened them on March 15, 2019. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Brodart Co.	500 Arch St. Williamsport, PA 17701	\$21,362,250.00
Baker & Taylor, Inc.	2550 West Tyvola Rd. Suite 300 Charlotte, NC 28217	\$21,764,587.50
Ingram Library Services, Inc.	One Ingram Blvd. La Vergne, TN 37086	\$21,515,550.00
Midwest Library Service	11443 St. Charles Rock Rd. Bridgeton, MO 63044	\$22,906,625.00

### **OWNER**

#### **Brodart Co.**

Robert McAndrew, President  
Denise Gatsche, Secretary  
Richard Dill, Treasurer

May 22, 2019

**WHEREAS**, on February 12, 2014, City Council authorized a five-year service contract for the purchase and processing of library books with Brodart Co., in an amount not to exceed \$11,619,843.75, by Resolution No. 14-0290.

**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 price agreement with Brodart Co. (008873), approved as to form by the City Attorney, for the purchase, supply, selection, cataloging, and physical processing of library printed materials for Dallas Public Library for a term of five years, in the estimated amount of \$21,362,250.00. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Brodart Co. shall be based only on the amount of the services directed to be performed by the City and properly performed by Brodart Co. under the contract. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$21,362,250.00, but not more than the amount of budgetary appropriations for this service price agreement during its term to Brodart Co. from Service Price Agreement No. LIB-2019-00009927.

**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 Information Sheet

**File #:** 19-587

**Item #:** 31.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

**SUBJECT**

Authorize a three-year service contract, with two one-year renewal options, to provide Family Medical Leave Act services - Total Administrative Services Corporation, most advantageous proposer of three - Not to exceed \$247,500 - Financing: General Fund (subject to annual appropriations)

**BACKGROUND**

This service contract will allow the awarded vendor to administer the City's Family Medical Leave Act services. Approval of this item will also provide for a contract to manage and administer for both City of Dallas civilian employees and uniformed (Police & Fire) personnel. The administration services shall be compliant with all federal and state regulations as well as with the City's relevant policies and procedures.

A five member committee from the following departments reviewed and evaluated the qualifications:

- City Controller's Office (1)
- Department of Human Resources (2)
- Office of Budget (1)
- Office of Procurement Services (1)\*

\*The Office of Procurement Services only evaluated the cost.

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

- Cost efficiency 30 points
- Capability and expertise 25 points
- Overall approach and methodology 25 points
- Functional match 20 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 930 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of 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, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$10.94; the selected vendor meets this requirement.

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

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Fund - \$247,500.00 (subject to annual appropriations)

FY 2019-20 \$ 42,500.00

FY 2020-21 \$102,500.00

FY 2021-22 \$102,500.00

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$247,500.00	Other Services	N/A	N/A	N/A
• M/WBE goal waived due to no M/WBE availability				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> <li>• Utilized for high technology procurements, insurance procurements, and other goods and services</li> <li>• Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications</li> <li>• Always involves a team evaluation</li> <li>• Allows for negotiation on contract terms, including price</li> </ul>
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The Office of Procurement Services received the following proposals from solicitation number BKZ1814. We opened them on September 21, 2018. This service contract is being awarded in its entirety to the most advantageous proposer.

\*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>
*Total Administrative Services Corporation	2302 International Ln. Madison, WI 53704	79.50
FMLA Source	455 N. Cityfront Plaza Dr. 13 <sup>th</sup> Floor Chicago, IL 60611	77.99
Colonial Life & Accident Insurance Company	1200 Colonial Life Blvd. Columbia, SC 29210	73.90

**OWNER**

**Total Administrative Services Corporation**

Cliff Mason, President  
 Pay Reynolds, Vice President  
 Scott Lane, Treasurer

May 22, 2019

**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 contract with Total Administrative Services Corporation (VS98686), approved as to form by the City Attorney, to provide Family Medical Leave Act services for a term of three years, with two one-year renewal options, in an amount not to exceed \$247,500. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Total Administrative Services Corporation shall be based only on the amount of the services directed to be performed by the City and properly performed by Total Administrative Services Corporation under the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$247,500 (subject to annual appropriations) to Total Administrative Services Corporation from Service Contract No. PER-2019-00010085.

**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 Information Sheet

**File #:** 19-586

**Item #:** 32.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

**SUBJECT**

Authorize a three-year service contract, with two one-year renewal options, to provide voluntary benefits to employees and eligible retirees, a self-funded vendor-administered Employee Benefits Program - Standard Insurance Company, most advantageous proposer of four - Financing: No cost consideration to the City (to be funded by employee and retiree premiums through payroll and pension deductions)

**BACKGROUND**

This service contract will allow the awarded vendor to administer the City's voluntary benefits program and services. The voluntary benefits program will include short- and long-term disability, long term care, accident policy, cancer policies, and hospital coverage which will be made available by vendor for voluntary purchase to approximately 14,000 employees and eligible retirees. This contract offers a comprehensive range of benefits products that will allow employees to custom-tailor the benefit package to their individual needs. The selected firm will be expected to manage all aspects of employee marketing and enrollment, and to provide ongoing customer service for the voluntary benefits products by providing support staff during open enrollment periods.

A five member committee from the following departments reviewed and evaluated the qualifications:

- City Controller's Office (1)
- Department of Human Resources (2)
- Office of Budget (1)
- Office of Procurement Services (1)\*

\*The Office of Procurement Services only evaluated cost.

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

- Cost efficiency 30 points
- Capability and expertise 25 points
- Overall approach and methodology 25 points
- Functional match 20 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 790 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of 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, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$10.94; the selected vendor meets this requirement.

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

On June 25, 2014, City Council authorized a three-year service contract, with two one-year renewal options, to provide voluntary benefits to employees and eligible retirees with Homeland HealthCare, Inc. by Resolution No. 14-0985.

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

No cost consideration to the City. Voluntary Benefits-to be funded by employee and retiree premiums through payroll deductions.

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$16,278,300.00	No cost consideration	N/A	28.90%	\$4,704,428.70
<ul style="list-style-type: none"> <li>• The Business Inclusion and Development Plan does not apply to No cost consideration items; however, the prime contractor is subcontracting with certified M/WBEs.</li> </ul>				
<p>The M/WBE participation is 28.90% and the maximum dollar amount is \$4,704,428.70. This is subject to the number of employees and eligible retirees enrolled in the City’s voluntary benefits program.</p>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> <li>• Utilized for high technology procurements, insurance procurements, and other goods and services</li> <li>• Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications</li> <li>• Always involves a team evaluation</li> <li>• Allows for negotiation on contract terms, including price</li> </ul>
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The Office of Procurement Services received the following proposals from solicitation number BKZ1814. We opened them on September 21, 2018. This service contract is being awarded in its entirety to the most advantageous proposer.

\*Denotes successful proposer

<b><u>Proposers</u></b>	<b><u>Address</u></b>	<b><u>Score</u></b>
*Standard Insurance Company	1100 SW Sixth Ave. Portland, OR 97204	91.96
Continental American Insurance Company	1600 Williams St. Columbia, SC 29201	87.25
Colonial Life & Accident Insurance Company	1200 Colonial Life Blvd. Columbia, SC 29210	77.03
Metropolitan Life Insurance Company	13455 Noel Rd. Suite 2110 Dallas, TX 75240	76.40

**OWNER**

**Standard Insurance Company**

J. Greg Ness, President  
Floyd Chadee, Sr. Vice President

May 22, 2019

**WHEREAS**, on June 25, 2014, City Council authorized a three-year service contract, with two one-year renewal options, to provide voluntary benefits to employees and eligible retirees with Homeland HealthCare, Inc. by Resolution No. 14-0985; and

**WHEREAS**, on March 22, 2017, Administrative Action No. 17-5718 authorized a ten-month contract with The Abacus Group, LLC to provide voluntary insurance offerings to City of Dallas employees; and

**WHEREAS**, on March 22, 2017, Administrative Action No. 17-5719 authorized a ten-month contract with American Heritage Life Insurance Company dba Allstate Benefits to provide voluntary insurance offerings to City of Dallas employees; and

**WHEREAS**, on March 22, 2017, Administrative Action No. 17-5720 authorized a ten-month contract with American Family Life Assurance Company of Columbus dba Aflac to provide voluntary insurance offering to City of Dallas employees; and

**WHEREAS**, on March 30, 2017, Administrative Action No. 17-5772 authorized a ten-month contract with LegalShield Agency, Inc. to provide voluntary pre-paid legal services to City of Dallas employees; and

**WHEREAS**, on September 28, 2017, Administrative Action No. 17-6769 authorized to extend the term of the service contract with American Heritage Life Insurance Company dba Allstate Benefits from October 1, 2017 to February 28, 2018; and

**WHEREAS**, on September 28, 2017, Administrative Action No. 17-6771 authorized to extend the term of the contract with Prepaid Legal Services dba LegalShield from October 1, 2017 to February 28, 2018; and

**WHEREAS**, on September 28, 2017, Administrative Action No. 17-6773 authorized to extend the term of the contract with The Abacus Group, LLC from October 1, 2017 to February 28, 2018; and

**WHEREAS**, on February 15, 2018, Administrative Action No. 18-5571 authorized to extend the term of the contract with The Abacus Group, LLC from March 1, 2018 to June 30, 2018.

**Now, Therefore,**

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

May 22, 2019

**SECTION 1.** That the City Manager is hereby authorized to execute a service contract with Standard Insurance Company (VS0000024410), approved as to form by the City Attorney, to provide voluntary benefits to employees and eligible retirees, a self-funded vendor-administered Employee Benefits Program for a term of three years, with two one-year renewal options.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to transfer funds collected from payroll deductions and retiree pension reductions to Standard Insurance Company from Employee Benefits Fund, Fund 0265, Department PER, Unit 5729, Object 3552.

**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 Information Sheet

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**File #:** 19-622

**Item #:** 33.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize a five-year service contract for the purchase, installation, maintenance, and support of a closed-circuit television video storage system for the Department of Aviation with Promark Technology, Inc. through the General Services Administration cooperative agreement - Estimated amount of \$1,726,684.20 - Financing: Aviation Fund (subject to annual appropriations)

**BACKGROUND**

This service contract will provide for the purchase, installation, maintenance, and support of a closed-circuit television video storage system for the Department of Aviation. This system will give Dallas Love Field the ability to replicate between three data centers located in the airport providing redundancy, and the ability to move data from one to the other without powering down any hardware. The term of the contract is a five-year hardware replacement and upgrade and five-years of software, eight petabytes of storage capacity, 24-hour support and next day parts.

This system will meet the information technology data center needs as well as the video surveillance infrastructure in a common platform that is already in use and well understood by the City of Dallas - Department of Aviation. The continued use of this system will continue to provide operational efficiency and will only improve as more applications are migrated to the system. Because of the expertise and familiarity that the recommended company possesses with the current closed-circuit television camera system at Dallas Love Field, the Department of Aviation is obtaining this system utilizing a cooperative agreement.

The General Services Administration cooperative agreement is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

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

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

Aviation Fund - \$1,726,684.20 (subject to annual appropriations)

FY 2018-19 \$ 995,101.80

FY 2019-20 \$ 334,874.40 (subject to annual appropriations)

FY 2020-21 \$ 125,672.10 (subject to annual appropriations)

FY 2021-22 \$ 102,416.50 (subject to annual appropriations)

FY 2022-23 \$ 168,619.40 (subject to annual appropriations)

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$1,726,684.20	CO-OP	N/A	N/A	N/A
<ul style="list-style-type: none"> <li>The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs).</li> </ul>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Cooperative Purchasing	<ul style="list-style-type: none"> <li>Cooperative Purchasing Agreements enable the City to associate with State agencies, other local governments, or local cooperative organizations comprised of other state and local governments, to leverage market buying power and enable the City to purchase goods or services at lower prices</li> <li>Cooperative Purchasing is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement</li> </ul>
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**OWNER**

**Promark Technology, Inc.**

Tim Ament, President

May 22, 2019

**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 contract with Promark Technology, Inc. (VC20065) through the General Services Administration cooperative agreement, approved as to form by the City Attorney, for the purchase, installation, maintenance, and support of a closed-circuit television video storage system for the Department of Aviation for a term of five years, in an amount not to exceed \$1,726,684.20. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Promark Technology, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Promark Technology, Inc. under the contract.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$1,726,684.20 (subject to annual appropriations) to Promark Technology, Inc. from Aviation Fund, Fund 0130, Department AVI, Unit 7725, Object 4731, Activity AAIP, Encumbrance/Contract No. MASC AVI-2019-00008243, Commodity 92000, Vendor VC20065.

**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 Information Sheet

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**File #:** 19-602

**Item #:** 34.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize a three-year master agreement for rescue concentrate disinfectant, kennel foamers, and accessories for the Department of Dallas Animal Services - Midwest Veterinary Supply, Inc., lowest responsible bidder of two - Estimated amount of \$370,719.24 - Financing: General Fund

**BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide for the purchase of rescue concentrate disinfectant, kennel foamers, and accessories for the Department of Dallas Animal Services (DAS). DAS intakes over 35,000 animals annually. In order to maintain a safe and healthy environment for all animals housed at DAS, rescue concentrate is used in the daily disinfecting and cleaning practices to minimize spread of diseases from animal to animal.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 243 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of 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, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

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

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Fund - \$370,719.24 (Estimated amount)

FY 2018-19 \$ 30,281.90  
 FY 2019-20 \$123,573.08  
 FY 2020-21 \$123,573.08  
 FY 2021-22 \$ 93,291.18

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$370,719.24	Goods	N/A	N/A	N/A
<ul style="list-style-type: none"> <li>• M/WBE goal waived due to no M/WBE availability</li> </ul>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> <li>• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements</li> <li>• Negotiations are not allowed</li> </ul>
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The Office of Procurement Services received the following bids from solicitation number BT1903. We opened them on February 1, 2019. We recommend the City Council award this master agreement in its group to the lowest responsive and responsible bidder.

\*Denotes successful bidder

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Midwest Veterinary Supply, Inc.	21467 Holyoke Ave. Lakeville, MN 55044	\$370,719.24
Unimed Government Services, LLC	21370 Heywood Ave. Lakeville, MN 55044	\$435,176.79

**OWNER**

**Midwest Veterinary Supply, Inc.**

Guy Flickinger, President

Jeff Burkhamer, Vice President

Scott Davis, Secretary

May 22, 2019

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

**SECTION 1.** That a master agreement for the purchase of rescue concentrate disinfectant, kennel foamers, and accessories for the Department of Dallas Animal Services is authorized with Midwest Veterinary Supply, Inc. (VS0000067504), approved as to form by the City Attorney, for a term of three years, in the estimated amount of \$370,719.24. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for rescue concentrate disinfectant, kennel foamers, and accessories for the Department of Dallas Animal Services. If a written contract is required or requested for any or all purchases of rescue concentrate disinfectant, kennel foamers, and accessories for the Department of Dallas Animal Services under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$370,719.24, but not more than the amount of budgetary appropriations for this master agreement during its term to Midwest Veterinary Supply, Inc. from Master Agreement Contract No. DAS-2019-00009924.

**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.



Agenda Information Sheet

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**File #:** 19-565

**Item #:** 35.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize the rejection of the bid received for cement treated base, rebase, and super slurry - Financing: No cost consideration to the City

**BACKGROUND**

This action will authorize the rejection of the bid received for solicitation BA1904 for a three-year master agreement for cement treated base, rebase, and super slurry. The Department of Public Works will review and modify the specifications before re-advertisement. It should also be noted that Martin Marietta Materials, Inc. refused to comply with the City of Dallas' Business Inclusion and Development Plan.

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

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

No cost consideration to the City.

May 22, 2019

**WHEREAS**, it has been determined by the Department of Public Works to reject the bid that was received for cement treated base, rebase, and super slurry.

**Now, Therefore,**

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

**SECTION 1.** That the bid received for cement treated base, rebase, and super slurry is hereby rejected.

**SECTION 2.** 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 Information Sheet

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**File #:** 19-633

**Item #:** 36.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize Supplemental Agreement No. 2 to increase the service price agreement with Good Earth Corporation in the amount of \$1,376,241.91, from \$5,504,967.63 to \$6,881,209.54 and T. Smith's Lawn Service, LLC in the amount of \$652,187.76, from \$2,608,751.05 to \$3,260,938.81, for litter maintenance services for the Park and Recreation Department and to extend the term from May 29, 2019 to May 29, 2020 - Total not to exceed \$2,028,429.67, from \$8,113,718.68 to \$10,142,148.35 - Financing: General Fund

**BACKGROUND**

This Supplemental Agreement No. 2 increase will allow for regular litter maintenance service in virtually every park within the six park maintenance districts. Contractors will perform services on a predetermined maintenance frequency established by the City. Maintenance frequencies vary in each park based on the amount of traffic and the time of year. Adjustments to the schedule can be made based on variable needs, such as special events and spray ground activity. The service price agreement also includes a provision for litter maintenance performed on an emergency response basis.

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

On January 28, 2015, City Council authorized supplemental agreement no. 1 to increase the service contract with Good Earth Corporation for litter pick up and refuse collection services at City parks and extend the term from March 31, 2015 through March 31, 2016, by Resolution No. 15-0164.

On January 27, 2016, City Council authorized a three-year service contract for litter maintenance services for Park and Recreation with Good Earth Corporation and T. Smith's Lawn Service, LLC by Resolution No. 16-0159.

On May 16, 2019, the Park and Recreation Board authorized Supplemental Agreement No. 1 with Good Earth Corporation and T. Smith's Lawn Service, LLC.

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Fund - \$2,028,429.67

FY 2018-19 \$1,014,000.00

FY 2019-20 \$1,014,429.67

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<b>Contract Amount</b>	<b>Category</b>	<b>M/WBE Goal</b>	<b>M/WBE %</b>	<b>M/WBE \$</b>
\$2,028,429.67	Other Services	23.80%	23.80%	\$482,766.69
• This contract meets the M/WBE goal.				
Supplemental Agreement No. 2 - 23.80% Overall M/WBE participation				

**OWNERS**

**Good Earth Corporation**

Ron Points, President  
George Belk, Vice President  
Emily Points, Secretary

**T. Smith’s Lawn Service, LLC**

Terrence Smith, President  
Teresa Smith, Vice President

May 22, 2019

**WHEREAS**, on January 28, 2015, City Council authorized supplemental agreement no. 1 to increase the service contract with Good Earth Corporation for litter pick up and refuse collection services at City parks and extend the term from March 31, 2015 through March 31, 2016, in an amount not to exceed \$1,743,793.00, from \$6,975,172.68 to \$8,718,965.68, by Resolution No. 15-0164; and

**WHEREAS**, on January 27, 2016, City Council authorized a three-year service contract for litter maintenance services for Park and Recreation with Good Earth Corporation in the amount of \$5,504,967.63 and T. Smith's Lawn Service, LLC in the amount of \$2,608,751.05, in a total amount not to exceed \$8,113,718.68, by Resolution No. 16-0159.

**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. 1 to increase the service price agreement with Good Earth Corporation (510006) in an amount not to exceed \$1,376,241.91, from \$5,504,967.63 to \$6,881,209.54 and T. Smith's Lawn Service, LLC (VS0000052924) in an amount not to exceed \$652,187.76, from \$2,608,751.05 to \$3,260,938.81, approved as to form by the City Attorney, for litter maintenance services for the Park and Recreation Department, in a total amount not to exceed \$2,028,429.67, increasing the service price agreement from \$8,113,718.68 to \$10,142,148.35 and to extend the term from May 29, 2019 to May 29, 2020.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$2,028,429.67 to Good Earth Corporation and T. Smith's Lawn Service, LLC from Service Price Agreement No. PKR-2019-00010211.

**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 Information Sheet

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**File #:** 19-662

**Item #:** 37.

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** Outside City Limits

**DEPARTMENT:** Office of Strategic Partnerships & Government Affairs

**EXECUTIVE:** Kimberly Bizer Tolbert

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**SUBJECT**

Ordinances authorizing two amendments to the Dallas Fort Worth (DFW) International Airport Master Bond Ordinance, the 53<sup>rd</sup> Supplemental Bond Ordinance (SBO), and the issuance of the 54<sup>th</sup> SBO - Financing: No cost consideration to the City

**BACKGROUND**

The DFW International Airport Board requests the Owner Cities of Dallas and Fort Worth approve two ordinances. One, the 53<sup>rd</sup> SBO, relates to the authorization of two amendments to the Master Bond Ordinance, approved by the Owner Cities in September 2010. The second, the 54<sup>th</sup> SBO, relates to the DFW Taxable Refunding Bonds, Series 2019, in an amount not to exceed \$1.3 billion.

The 53<sup>rd</sup> SBO will allow the Airport's authorized officers to certify the additional obligation test which currently can only be done by a third-party consultant. The amendments will also clarify that an additional obligation test is not required for each remarketing of commercial paper.

The 54<sup>th</sup> SBO will authorize the issuance of DFW Taxable Refunding Bonds, Series 2019, in an amount not to exceed \$1.3 billion. These bonds will refund an already approved \$1.1 billion of bonds that are callable on November 1, 2020. There is an additional \$0.2 billion of callable bonds that this ordinance will refund, if DFW determines that it can capture additional savings. These bonds will be sold as a public offering. The authority to issue bonds will be for a one-year period, with the final maturity no later than 2045.

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

City Council was briefed on the Dallas Fort Worth International Airport 50<sup>th</sup> Supplemental Bond Ordinance on February 19, 2014.

On August 24, 2016, City Council authorized the 51<sup>st</sup> Supplemental Concurrent Bond Ordinance, by Resolution No. 16-1336; Ordinance 30177.

On August 23, 2017, City of Dallas Council authorized the 52<sup>nd</sup> Supplemental Concurrent Bond Ordinance, by Resolution No. 17-1298; Ordinance 30622.

The DFW Airport Board approved this item at their May 2, 2019 Board Meeting.

The City of Fort Worth will consider this item at their May 21, 2019 City Council Meeting.

The Government Performance and Financial Management Committee was briefed on this item May 6, 2019.

**FISCAL INFORMATION**

No cost consideration to the City.

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**DALLAS/FORT WORTH INTERNATIONAL AIRPORT**  
**FIFTY-THIRD SUPPLEMENTAL CONCURRENT BOND ORDINANCE**

Passed concurrently by the City Councils of the Cities of Dallas and Fort Worth, Texas

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Passed by the City Council of the City of Dallas \_\_\_\_\_, 2019

Passed by the City Council of the City of Fort Worth \_\_\_\_\_, 2019

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Effective \_\_\_\_\_, 2019

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**CITY OF DALLAS ORDINANCE NO. \_\_\_\_**

**CITY OF FORT WORTH ORDINANCE NO. \_\_\_\_\_**

**FIFTY-THIRD SUPPLEMENTAL CONCURRENT BOND ORDINANCE AMENDING  
IN-PART THE MASTER BOND ORDINANCE RELATING TO DALLAS FORT WORTH  
INTERNATIONAL AIRPORT JOINT REVENUE BONDS**

**WHEREAS**, the Cities of Dallas and Fort Worth, Texas (the "Cities") are each a "Home Rule City," acting as such under the Constitution and laws of the State of Texas, and each has a population in excess of 90,000; and

**WHEREAS**, the Cities jointly own and operate the Dallas/Fort Worth International Airport (the "Airport") and have created a "joint board" pursuant to Section 22.074, Transportation Code, as amended, known as the Dallas Fort Worth International Airport Board (the "Board"), to operate and to set and establish policies for the Airport; and

**WHEREAS**, the Cities, pursuant to the Master Bond Ordinance, effective September 22, 2010 (the "Master Bond Ordinance"), determined, among other things, that the Cities should issue and should authorize the Board to sell and deliver joint revenue bonds in order to provide financing for various costs relating to the Airport; and

**WHEREAS**, the Cities have from time to time amended the predecessor ordinances to the Master Bond Ordinance; and

**WHEREAS**, the Cities have determined to adopt this Ordinance to amend the Master Bond Ordinance by modifying certain provisions to conform such covenants to contemporary financial practices; and

**WHEREAS**, pursuant to Sections 8.3 and 8.4 of the Master Bond Ordinance, the Master Bond Ordinance may be amended with the consent of the Holders of not less than a majority of Outstanding Obligations at the time of the effective date of amendments and each Credit Provider, if applicable, or, pursuant to Section 8.4(b) of the Master Bond Ordinance, if the amendments are approved by Insurers and such other Credit Providers, as applicable; and

**WHEREAS**, upon the satisfaction of Sections 8.3 and 8.4 of the Master Bond Ordinance, the proposed amendments shall become effective; and

**WHEREAS**, the respective City Councils for the Cities have determined and found that there is a public need and necessity that this Ordinance be passed concurrently, and that this Ordinance shall be effective immediately upon its passage by each of the Cities; and

**WHEREAS**, each City Council finds and determines that the meeting at which this Ordinance is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by Applicable Law;

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

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH:**

## **ARTICLE I**

### **DEFINITIONS AND OTHER PRELIMINARY MATTERS**

Section 1.1. Titles and Headings. The titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.2. Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and Section references shall mean references to Articles and Sections of this Ordinance unless designated otherwise.

(c) If any one or more of the provisions contained herein should be contrary to Applicable Law, then such provision shall be deemed separable from the remaining provisions hereof, and shall in no way affect the validity of the remaining provisions contained in this Ordinance.

## **ARTICLE II**

### **AMENDMENT TO MASTER BOND ORDINANCE**

Section 2.1. Amendment to Section 1.4(f). The phrase “(which shall not be beyond the Stated Maturity of the Interim Obligations)” is hereby deleted.

Section 2.2. Amendment to Section 3.3(a)(iii)(A). After the term “written report” there shall be inserted the term “or certificate of an Authorized Officer” and after the term “such Airport Consultant” there shall be inserted “or certificate of an Authorized Officer.”

**ARTICLE III  
MISCELLANEOUS**

Section 3.1. Further Action. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents in addition to those enumerated herein and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Ordinance.

Section 3.2. Effective Date. This Ordinance shall be in full force and effect on and after the date on which it is duly passed by the City Council of each of the Cities.

**PASSED BY THE FORT WORTH CITY COUNCIL THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019.**

**ATTEST:**

\_\_\_\_\_  
Mayor  
City of Fort Worth, Texas

\_\_\_\_\_  
City Secretary  
City of Fort Worth

**APPROVED AS TO FORM AND LEGALITY:**

\_\_\_\_\_  
City Attorney  
City of Fort Worth, Texas

THE STATE OF TEXAS     §  
COUNTY OF TARRANT   §  
CITY OF FORT WORTH    §

I, Mary J. Kayser, City Secretary of the City of Fort Worth, Texas, do hereby certify:

1. That the above and foregoing is a true and correct copy of an Ordinance, duly presented and passed by the City Council of the City of Fort Worth, Texas, at a regular meeting held on \_\_\_\_\_, 2019, as same appears of record in the Office of the City Secretary.

2. 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 the Official Seal of the City of Fort Worth, Texas, this \_\_\_ day of \_\_\_\_\_, 2019.

---

City Secretary,  
City of Fort Worth, Texas

(SEAL)

**APPROVED AND ADOPTED BY THE DALLAS CITY COUNCIL THIS MAY 22, 2019.**

**CITY OF DALLAS:**

T.C. Broadnax \_\_\_\_\_,  
City Manager

**APPROVED AS TO FORM:**

Christopher J. Caso \_\_\_\_\_,  
City Attorney

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_  
Assistant City Attorney

THE STATE OF TEXAS           §  
COUNTY OF DALLAS           §  
CITY OF DALLAS               §

I, Billierae Johnson, City Secretary of the City of Dallas, Texas, do hereby certify:

1. 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, May 22, 2019, confirming the passage of Dallas/Fort Worth International Airport Fifty-Third Supplemental Concurrent Bond Ordinance is duly of record in the minutes of said City Council.

2. 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 \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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City Secretary,  
City of Dallas, Texas

(SEAL)

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**DALLAS/FORT WORTH INTERNATIONAL AIRPORT  
FIFTY-FOURTH SUPPLEMENTAL CONCURRENT BOND ORDINANCE**

Passed concurrently by the City Councils of the Cities of Dallas and Fort Worth, Texas

Authorizing One or More Series of

**DALLAS/FORT WORTH INTERNATIONAL AIRPORT  
JOINT REVENUE BONDS**

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Passed by the City Council of the City of Dallas \_\_\_\_\_, 2019

Passed by the City Council of the City of Fort Worth \_\_\_\_\_, 2019

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Effective \_\_\_\_\_, 2019

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**CITY OF DALLAS ORDINANCE NO. \_\_\_\_\_**

**CITY OF FORT WORTH ORDINANCE NO. \_\_\_\_\_**

**FIFTY-FOURTH SUPPLEMENTAL CONCURRENT BOND ORDINANCE  
AUTHORIZING ONE OR MORE SERIES OF DALLAS/FORT WORTH  
INTERNATIONAL AIRPORT JOINT REVENUE BONDS, FOR LAWFUL  
PURPOSES; PROVIDING THE SECURITY THEREFORE; PROVIDING FOR  
THE SALE, EXECUTION AND DELIVERY THEREOF SUBJECT TO CERTAIN  
PARAMETERS; AND PROVIDING OTHER TERMS, PROVISIONS AND  
COVENANTS WITH RESPECT THERETO**

---

**WHEREAS**, prior to the adoption of this ordinance (herein defined and cited as the "Fifty-First Supplemental Concurrent Bond Ordinance" or as the or this "Ordinance"), the City Councils of the Cities of Dallas and Fort Worth, Texas (the "Cities") passed the Master Bond Ordinance relating to the Dallas Fort Worth International Airport (the "Airport"); and

**WHEREAS**, the Master Bond Ordinance constitutes the controlling bond ordinance of the Cities that relates to the financing of the Airport and (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities' special obligations to pay when due the Outstanding Obligations, any Parity Credit Agreement Obligations, and any Additional Obligations; and

**WHEREAS**, the City Councils of the Cities of Dallas and Fort Worth, on September 22, 2010 and September 21, 2010, respectively, concurrently adopted the Forty-Fourth Supplemental Concurrent Bond Ordinance authorizing the issuance of the Dallas Fort/Worth International Airport Joint Revenue Improvement Bonds, Series 2010A (the "2010A Bonds"), in the aggregate principal amount of \$304,395,000; and

**WHEREAS**, the City Councils of the Cities of Dallas and Fort Worth, on March 28, 2012 and March 27, 2012, respectively, concurrently adopted the Forty-Eighth Supplemental Concurrent Bond Ordinance authorizing the issuance of the Dallas/Fort Worth International Airport Joint Revenue Refunding Bonds, Series 2012E (the "2012E Bonds"), in the aggregate principal amount of \$300,495,000; and

**WHEREAS**, the City Councils of the Cities of Dallas and Fort Worth, on March 28, 2012 and March 27, 2012, respectively, concurrently adopted the Forty-Eighth Supplemental Concurrent Bond Ordinance authorizing the issuance of the Dallas/Fort Worth International Airport Joint Revenue Refunding Bonds, Series 2012F (the "2012F Bonds"), in the aggregate principal amount of \$270,535,000; and

**WHEREAS**, the City Councils of the Cities of Dallas and Fort Worth, on February 27, 2013 and February 19, 2013, respectively, concurrently adopted the Forty-Ninth Supplemental Concurrent Bond Ordinance authorizing the issuance of the Dallas/Fort Worth International Airport Joint Revenue Improvement Bonds, Series 2013A (the "2013A Bonds"), in the aggregate principal amount of \$372,240,400; and

**WHEREAS**, each City Council hereby finds and determines that the refunding of all or a portion of the outstanding maturities of the 2010A Bonds, 2012E Bonds, 2012F Bonds and 2013A Bonds described in Schedule I (the “Refunded Obligations”) is in the best interests of the Cities; and

**WHEREAS**, each City Council hereby finds and determines that because it is not practical to determine on the date hereof the net present value savings of refunding the Refunded Bonds such amount will be specified in the Officer’s Pricing Certificate; and

**WHEREAS**, pursuant to Sections 8.3 and 8.4 of the Master Bond Ordinance, the “Outstanding Ordinances” (as defined in the Master Bond Ordinance) and the Master Bond Ordinance may be amended with the consent of the holders of more than a majority of the combined principal amount of the Obligations then outstanding at the time of the effective date of any amendments and each Credit Provider, if applicable, or, pursuant to Section 8.4(b) of the Master Bond Ordinance, if the amendments are approved by Insurers and such other Credit Providers as applicable (all such capitalized terms having the respective meanings defined in the Master Bond Ordinance); and

**WHEREAS**, the City Council of each of the Cities has heretofore approved a new Fifty-Third Concurrent Bond Ordinance, effective \_\_\_\_, 2019 (the “Fifty-Third Supplement”) as an amendment to the Master Bond Ordinance, such Fifty-Third Supplement to be effective immediately upon the receipt of the requisite consents referenced therein; and

**WHEREAS**, all of the holders of the Bonds issued pursuant to this Ordinance are hereby deemed by the purchase of such Bonds to have irrevocably consented to the Fifty-Third Supplement; and

**WHEREAS**, each City Council finds and determines that the meeting at which this Ordinance was adopted was open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by Applicable Law; and

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

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH:**

## **ARTICLE I**

### **DEFINITIONS AND OTHER PRELIMINARY MATTERS**

Section 1.1 Short Title. This Ordinance may hereafter be cited in other documents and without further description as the “Fifty-Fourth Supplemental Concurrent Bond Ordinance.”

Section 1.2 Definitions. The capitalized terms used herein, including in the preambles hereto, that are not otherwise defined herein shall have the same meanings and definitions as are applied to such terms, respectively, in, or incorporated into, the Master Bond Ordinance. Additionally, unless otherwise expressly provided or unless the context clearly requires otherwise, the following additional terms shall have the respective meanings specified below:

**Authorized Officer** – means each of the Chief Executive Officer, the Executive Vice President-Chief Financial Officer, or the Vice President-Treasury Management of the Board, each acting

singly, and, in the event any of such positions is renamed or otherwise reorganized, including any person holding or exercising the duties of any comparable position.

**Bond** - means any of the Bonds.

**Bond Date** - means the date of such Bonds as designated in the Officers' Pricing Certificate.

**Bonds** - mean the bonds described in Section 3.1 as such series and titles are authorized by separate Officer's Pricing Certificates.

**Closing Date** - means the dates on which each series of Bonds are actually delivered to and paid for by the Purchaser.

**Code** - means the Internal Revenue Code of 1986, as amended.

**Designated Payment/Transfer Office** - means (i) with respect to the initial Paying Agent/Registrar named herein, its office in Dallas, Texas, or such other location as may be designated by the Paying Agent/Registrar, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the Cities and such successor.

**DTC** - means The Depository Trust Company of New York, New York, or any successor securities depository.

**DTC Participant** - means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among such parties.

**Initial Bond** - means the Bonds described in Section 3.2 with the insertions required by Section 6.2(d) and an Officer's Pricing Certificate.

**Insurer or Insurers** - means the issuer of the Policy or of the Policies if more than one are issued, as certified by an Authorized Officer on the Closing Date.

**Interest Payment Date** - means the date or dates upon which interest on the Bonds is scheduled to be paid until the applicable Stated Maturity Date or Mandatory Redemption Date, as determined in the Officers' Pricing Certificate.

**Mandatory Redemption Dates** - mean the dates on which the Cities are obligated to redeem Bonds in advance of their respective Stated Maturity Dates in accordance with Section 4.4 and the Officer's Pricing Certificate.

**Master Bond Ordinance** - means the Master Bond Ordinance approved by the City Councils of the Cities and effective upon receipt of the consents required by the Thirtieth Ordinance.

**Master Paying Agent Agreement** - means the paying agent agreement previously executed by the Board and the Paying Agent/Registrar that specifies the duties and responsibilities of the Paying Agent/Registrar with respect to bonds or other obligations issued by the Cities in relation to the Airport.

**Officer's Pricing Certificate(s)** - means the certificate(s) to be executed by one of the Authorized Officers pursuant to Section 3.2. Multiple Officer's Pricing Certificates for multiple series of Bonds may be executed pursuant to this Ordinance.

**Ordinance** - means this Ordinance and all amendments hereof and supplements hereto.

**Original Issue Date** - means the Closing Date of each series of Bonds.

**Paying Agent/Registrar** - means The Bank of New York Mellon Trust Company, N.A., or any successor thereto as provided in this Ordinance.

**Policy or Policies** - means the policy or policies, if any, of municipal bond insurance relating to the Bonds issued on the Closing Date by the Insurer or the Insurers if more than one.

**Purchaser** - means the person, firm or entity or the group thereof, or the representative of such group, initially purchasing the Bonds issued hereunder from the Cities pursuant to each Underwriting Agreement.

**Record Date** - means the 15th day of the month next preceding an Interest Payment Date.

**Refunded Bonds** - means those obligations designated as such in the Officers Pricing Certificate from the list of Refunded Bond Candidates described in Schedule I attached hereto.

**Refunded Bond Candidates** - means the obligations described in Schedule I attached hereto which are authorized to be designated Refunded Bonds in the Officers Pricing Certificate.

**Representation Letter** - means the "Blanket Letter of Representations" between the Cities and DTC, as approved ratified in Section 3.9(c).

**Stated Maturity Dates** - mean the respective dates on which the Bonds are stated to mature in accordance with Section 3.2(b) and the Officer's Pricing Certificate.

**Underwriting Agreement** - means the Underwriting Agreements hereafter entered into as contemplated and authorized in Section 3.2(b) and in the Officer's Pricing Certificates. Multiple Underwriting Agreements may be entered into for multiple series of Bonds authorized pursuant to this Ordinance and separate Officer's Pricing Certificates.

Section 1.3 **Table of Contents, Titles and Headings.** The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4 **Interpretation.** (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and Section references shall mean references to Articles and Sections of this Ordinance unless designated otherwise.

(c) If any one or more of the covenants, provisions or agreements contained herein should be contrary to Applicable Law, then such covenants, provisions or agreements shall be deemed separable from the remaining covenants, provisions, and agreements hereof, and shall in no way affect the validity of the remaining covenants, provisions, and agreements contained in this Ordinance.

Section 1.5 Declarations and Additional Rights and Limitations Under Master Bond Ordinance. (a) For all purposes of the Outstanding Ordinances and the Master Bond Ordinance, as amended and supplemented, the Cities declare and provide as follows:

(i) The Bonds are Additional Obligations that are authorized by Section 3.2 of the Master Bond Ordinance.

(ii) The Bonds are not Interim Obligations.

(iii) Each Policy is a Credit Agreement, and each Insurer is a Credit Provider. However, a Policy does not create a Parity Credit Agreement Obligation. A Policy, if any, entered into for the purpose of providing all or a portion of the amount equal to the Debt Service Reserve Requirement is hereby declared to be a Credit Agreement that is on a parity with Subordinate Lien Obligations; provided however, the provisions of subsection 5.2(b) (iii) of the Master Bond Ordinance shall continue to apply with respect to any deficiencies in the Debt Service Reserve Fund, including any costs of a Policy with respect to the Debt Service Reserve Fund.

(iv) Administrative Expenses shall include the fees and expenses owed to the Paying Agent/Registrar.

(v) The amount of the Debt Service Reserve Requirement on account of the Bonds is an amount that is not less than the average annual Debt Service that will be required to be paid on or with respect to all Outstanding Obligations as of the date following the delivery of the Bonds. In the event that the amount on deposit in the Debt Service Reserve Fund is less than the amount required, the amount specified in the Officer's Pricing Certificate, pursuant to Section 8.1 shall be deposited to the Debt Service Reserve Fund out of the proceeds of the Bonds or shall be used to enter into a Credit Agreement to satisfy the Debt Service Reserve Requirement.

(vi) The Stated Maturity Dates and the Mandatory Redemption Dates established in accordance with Articles III and IV as modified by the Officer's Pricing Certificate are Principal Payment Dates for the purposes of the Master Bond Ordinance.

(vii) Each Insurer, as a Credit Provider, that is not at such time in default under its Policy is authorized to give and withdraw notices of default under the provisions of Section 7.1(vii) of the Master Bond Ordinance.

(viii) Each of the Authorized Officers is designated and appointed as an "officer" of the Cities for the limited purposes of administering this Ordinance, including particularly the related documents and agreements described herein in accordance with Chapters 1207 and 1371, Government Code, as amended, as applicable.

(ix) This Ordinance is an Additional Supplemental Ordinance.

(b) For all purposes of the Outstanding Ordinances and the Master Ordinances, as amended and supplemented, the following additional rights and limitations are granted and imposed:

(i) No amendment to the Master Bond Ordinance or this Ordinance shall be approved or adopted pursuant to any of Sections 8.2, 8.3, 8.4, or 8.5 of the Master Bond Ordinance, whether with or without the consent of the Holders, unless and until the same is approved by the Insurer that at the time is not in default under its Policy has a then current credit rating of at least investment grade by two nationally recognized rating agencies, to the extent required under the terms of the Credit Agreement.

(ii) The Cities shall have the right to amend the Outstanding Ordinances, the Master Bond Ordinance, and this Ordinance without the consent of or notice to the Holders, for any purpose not prohibited by Section 8.3 of the Master Bond Ordinance, if such amendment is approved by the Insurer that at the time is not in default under its Policy has a then current credit rating of at least investment grade by two nationally recognized rating agencies and such other Credit Providers, if any, as may be required by an Additional Supplemental Ordinance.

(iii) Whenever in this Ordinance, or in the Master Bond Ordinance, the right is granted to redeem Bonds in advance of a Stated Maturity Date, any such redemption may be accomplished with any lawfully available money. The Bonds may be redeemed according to their respective terms, and pro rata redemptions are not required.

(iv) In the event of the occurrence of an Event of Default, the right of acceleration of the Stated Maturity Date or the Mandatory Redemption Date of any Bond or of any Parity Credit Agreement Obligation is not granted as a remedy, and the right of acceleration is expressly denied.

(v) Pursuant to the terms of Section 8.4 of the Master Bond Ordinance, Holders of the Bonds confirm that the Credit Providers, whether or not related to the Bonds, have the right to consent to amendments to the Master Bond Ordinance, the Fifty-Fourth Ordinance and the Outstanding Ordinances without notice to or the consent of the Holders of the Bonds.

(c) Notwithstanding any other provision hereof, the holders of the Bonds, as evidenced by the purchase thereof, irrevocably consent to the amendment of the Master Bond Ordinance by the Fifty-Third Supplement, such Fifty-Third Supplement to be effective immediately upon receipt of the requisite consents set forth in the Master Bond Ordinance.

## **ARTICLE II**

### **PURPOSES, PLEDGE AND SECURITY FOR BONDS**

Section 2.1 Purposes of Ordinance. The purposes of this Ordinance are to prescribe the specific terms and provisions of the Bonds, to extend expressly the pledge, lien, security and provisions of the Master Bond Ordinance to and for the benefit of the Holders, to provide certain covenants to and for the benefit of each Insurer and/or Credit Provider, and to sell the Bonds to the Purchaser.

Section 2.2 Pledge, Security for, Sources of Payment of Bonds. (a) The pledge, the security and the filing provisions of Sections 2.2 and 2.4, respectively, of the Master Bond Ordinance are

hereby expressly restated, fixed, brought forward and granted to the Holders, and to each Insurer, as a Credit Provider.

(b) The Bonds, as "Additional Obligations" under the Master Bond Ordinance, are secured by a lien on and pledge of the Pledged Revenues and the Pledged Funds on a parity with the Prior Obligations, and any other Additional Obligations that are Outstanding, and with Parity Credit Agreement Obligations, if any, that are unpaid from time to time, as declared and provided in Section 2.2 of the Master Bond Ordinance.

### **ARTICLE III**

#### **AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS**

Section 3.1 Authorization. Additional Obligations, to be designated as set forth in the Officer's Pricing Certificate, are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including specifically Chapters 1207 and 1371, Texas Government Code, as amended and Chapter 22, Texas Transportation Code, as amended. The Authorized Officer is hereby authorized and directed to modify the title of each Series to the extent that, in the judgment of the Authorized Officer, it is necessary or appropriate. The final titles, the number of series and allocation of principal amount between each Series of Bonds shall be determined by the Authorized Officer based on market conditions in the discretion of the Authorized Officer and set forth in the Officer's Pricing Certificate for each series. The refunding must produce present value debt service savings of at least 3%. The Bonds shall be issued in the number of series and aggregate principal amount per series designated in the Officer's Pricing Certificate, provided that the aggregate principal amount of all of the Bonds shall not exceed \$1,300,000,000, for the purpose of (1) refunding all or a portion of the Refunded Bonds, as set forth in the Officer's Pricing Certificate, (2) to provide funding for the Debt Service Reserve Requirement through either the deposit of Bond proceeds or entering into a surety or such other agreement, if applicable, and (3) to pay the Cities' and the Board's costs incurred in connection with the issuance of the Bonds including the costs of the Policy or Policies of Insurance or the surety or debt service reserve agreement.

Section 3.2 Initial Date, Denominations, Number, Maturity, Initial Registered Owner, Characteristics of the Initial Bond and Expiration Date of Delegation. (a) The Initial Bonds are hereby authorized to be issued, sold, and delivered hereunder as single fully registered Bonds, without interest coupons, dated the dates designated in the Officer's Pricing Certificate, in the denomination and maximum aggregate principal amount as designated in the Officer's Pricing Certificate, numbered T-1 or as otherwise set forth in the Officer's Pricing Certificate, payable in annual installments of principal to the initial registered owner thereof (to be determined by the Authorized Officer, as hereinafter provided), or to the registered assignee or assignees of said Bond or any portion or portions thereof (in each case, the "registered owner"), with the annual installments of principal of the Initial Bonds to be payable on the dates, respectively, and in the principal amounts, respectively, to be stated the Officer's Pricing Certificate, and as provided in this Ordinance, but with the final installment of principal (the maximum term) to be not later than November 1, 2045.

(b) As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, the Authorized Officer and the City Managers are hereby authorized, appointed, and designated as the officers or employees of the Cities authorized to act on behalf of the Cities in the selling and delivering of the Initial Bonds and carrying out the other procedures specified in this Ordinance, including the determination of the prices at which the Initial Bonds will be sold, the amount of each Principal Installment

of each series issued hereunder, the due date of each Principal Installment of each series hereof, which shall be November 1 in each year in which a Principal Installment each series is due unless modified by the Officer's Pricing Certificate, the rate of interest to be borne by each Principal Installment of each series issued hereunder, the redemption features, including any requirements of Mandatory Redemption, and all other matters relating to the issuance, sale, and delivery of the Initial Bonds and each series of the Bonds provided that:

(i) each series of Bonds shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, Texas Government Code, as amended; and

(ii) the combined aggregate principal amount of all the Bonds issued pursuant to this Ordinance and, authorized to be issued for the purposes described in Section 3.1 shall not exceed the maximum amount authorized in Section 3.1 hereof (\$1,300,000,000) and shall equal an amount at least sufficient to provide for the paying of the costs refunding of the Refunded Bonds to be selected from the Refunded Bond Candidates identified in schedule I hereto; and

(iii) all such terms and determinations pertaining to the pricing of each series of Bonds shall be based on bond market conditions and available interest rates for each series of Bonds on the date of the sale of each series of the Bonds, all as set forth in the Officer's Pricing Certificate for each series. The Refunded Bonds shall be identified in the Officer's Pricing Certificate for each series in accordance with the preceding sentence, except that if less than an entire maturity is to be refunded, the Refunded Bonds to be refunded within a maturity shall be selected as provided in the Ordinance authorizing their issuance and, if not so provided, by lot; and

(iv) prior to delivery of each series of Bonds to the Purchasers, each series of Bonds must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations.

(v) The Authorized Officers are hereby authorized and directed to approve the final terms and provisions of each Underwriting Agreement in accordance with the terms of the Officer's Pricing Certificate and this Ordinance, such approval being evidenced by its execution thereof by any Authorized Officer. With regard to such terms and provisions of each Underwriting Agreement, the Authorized Officer is hereby authorized to come to an agreement with the Purchasers of each series of Bonds on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of the public offering of the Bonds by the Underwriters;
3. The details of an Official Statement (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and Rule 15c2-12 compliance;
4. A security deposit for the Bonds;

5. The representations and warranties of the Cities and the Airport to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Underwriting Agreements;
8. The certain conditions to the obligations of the Airport and the Cities under the Underwriting Agreements;
9. Termination of the Underwriting Agreements;
10. Particular covenants of the Airport and the Cities;
11. The survival of representations made in the Underwriting Agreements;
12. The payment of any expenses relating to the Underwriting Agreements;
13. Notices; and
14. Any and all such other details that are found by the Authorized Officer to be necessary and advisable for the purchase and sale of the Bonds.

Any Authorized Officer, acting singly, is hereby authorized and directed to execute each Underwriting Agreement for and on behalf of the Board and the Cities and as the act and deed of the Board and the Cities.

(c) A portion of Bonds are expected to be issued for restructuring of the Airport's debt service requirements; however, to the extent any present value savings is achieved with the issuance of any series of Bonds pursuant to this Ordinance, such restructuring purpose and requirement is hereby deemed to be achieved.

(d) In connection with the issuance and delivery of the Bonds, the Authorized Officer, acting for and on behalf of the Cities, is authorized to set out in the Officer's Pricing Certificate such information as contemplated herein. The Officer's Pricing Certificate shall include such information as such Authorized Officer deem appropriate or is required by this Ordinance.

(e) The Authorized Officer is authorized to establish which maturity or maturities, if any, of each series of Bonds shall be insured based on recommendations of the Co-Financial Advisors of the Airport, and such Authorized Officer shall specify the name or names of the Insurer or Insurers in each Underwriting Agreement and shall specify therein which maturity or maturities, if any, will be insured.

(f) The Initial Bonds of each series (i) may be prepaid or redeemed prior to the respective scheduled due dates of installments of principal thereof as provided for in this Ordinance and in the Officer's Pricing Certificate, (ii) may be assigned and transferred, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, and (v) shall be signed and sealed, and the principal of

and interest on the Initial Bonds of each series shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND set forth in this Ordinance and as determined by an Authorized Officer, as provided herein and in the Officer's Pricing Certificate, with such changes and additions as are required to meet the terms of each Underwriting Agreement and the Officer's Pricing Certificate, including the names as to which the Initial Bond of each series shall be registered.

(g) The authority granted to the Authorized Officer under this Section 3.2 shall expire one year from the effective date unless otherwise extended by the City Councils of each of the cities by separate action.

**Section 3.3 Medium, Method and Place of Payment.** (a) The principal of, premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Bonds shall be payable to the Holders whose names appear in the Obligation Register (as defined in Section 3.5) at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the Cities or the Board. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Bonds shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the Holder entitled to such payment, United States mail, first class postage prepaid, to the address of the Holder as it appears in the Obligation Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements. Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all payments of the principal of, redemption premium, if any, and interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such registered owner.

(d) The principal of each Bonds shall be paid to the Holder on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on a Bond is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Cities or in the city in which the Designated Payment/Transfer Office is located, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to any applicable escheat, unclaimed property, or similar and Applicable Law, unclaimed payments remaining unclaimed by the Holders entitled thereto for three years after the applicable payment or redemption date shall be paid to the Board and thereafter neither the Cities, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds.

(g) The unpaid principal balance of each Initial Bond shall bear interest as set forth in such Initial Bond to the respective scheduled due dates, or to the respective dates of prepayment or redemption, of the Principal Installments, and said interest shall be payable to the registered owner thereof, all in the manner provided and on the dates fixed by the Authorized Officers in accordance with this Ordinance and the Officer's Pricing Certificate for each series, and with interest rates as fixed by the Authorized Officer in accordance with this Ordinance and the Officer's Pricing Certificate, and as set forth in the Underwriting Agreements.

**Section 3.4 Ownership.** (a) The Cities, the Board, the Paying Agent/Registrar and any other person may treat each Holder as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to each Holder on the Record Date), and for all other purposes, whether or not such Bond is overdue, and neither the Cities, the Board, nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Holder in accordance with this Section shall be valid and effectual and shall discharge the liability of the Cities, the Board, and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

**Section 3.5 Registration, Transfer and Exchange.** (a) So long as any Bonds remain outstanding, the Board shall cause the Paying Agent/Registrar to keep a register (the "Obligation Register") at its principal trust office in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) Ownership of any Bond may be transferred in the Obligation Register only upon the presentation and surrender thereof at the Paying Agent's Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Obligation Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds shall be delivered by the Paying Agent/Registrar to the registered owner of the Bond or Bonds in not more

than three business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Bond issued in exchange for any Bond or portion thereof assigned, transferred or converted shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall convert and exchange the Bonds as provided herein, and each substitute Bond delivered in accordance with this Section shall constitute an original contractual obligation of the Cities and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such substitute Bond is delivered.

(e) The Board will pay, as Administrative Expenses, the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of the Bonds, but the Paying Agent/Registrar will require the Holder to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Bond. In addition, the Cities hereby covenant with the Holders of the Bonds that the Board will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the Cities, the Board, nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Holder of the uncalled principal balance of a Bond.

**Section 3.6 Cancellation and Authentication.** All Bonds paid or redeemed before their Stated Maturity Dates in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be canceled upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of the canceled Bonds in accordance with Applicable Law.

**Section 3.7 Temporary Bonds.** (a) Following the delivery and registration of the Initial Bond issued hereunder and pending the preparation of definitive Bonds, the proper officers of the Cities may execute and, upon the Cities' or the Board's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the Cities executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The Cities or the Board, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the authorized denomination, and

in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

**Section 3.8 Replacement Bonds.** (a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Cities, the Board, or the Paying Agent/Registrar may require the Holder of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to Subchapter D of Chapter 1201, Government Code, as amended, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Holder first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar, the Board and the Cities to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the Cities and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Cities, the Board, and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Cities, the Board, or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original contractual obligation of the Cities and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

**Section 3.9 Book-Entry Only System.** (a) The definitive Bonds for each series shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as

nominee of DTC, and except as provided in Section 3.10, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Cities, the Board, and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the Cities, the Board, and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Holder, as shown on the Obligation Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Holder, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Cities, the Board, and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Obligation Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Holders, as shown in the Obligation Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Cities' obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Holder, as shown in the register, shall receive a certificate evidencing the obligation of the Cities to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The "Blanket Representation Letter" setting respective duties with respect to the Bonds has been previously executed and delivered by an Authorized Officer of the Airport and made applicable to the Bonds delivered in book-entry-only form to DTC, as securities depository therefor, is hereby ratified and approved for the Bonds.

Section 3.10 Successor Securities Depository. In the event that the Cities, the Board, or the Paying Agent/Registrar determine that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Cities, the Board, or the Paying Agent/ Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Obligation Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Holders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.11 Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

## ARTICLE IV

### REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1 Limitation on Redemption. The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV and the Officer's Pricing Certificate.

Section 4.2 Optional Redemption. (a) The Authorized Officer shall specify in the Underwriting Agreements, Officer's Pricing Certificates, Initial Bonds, and in the Bonds such rights of optional redemption, if any, and the Redemption Prices therefor that are to be reserved by the Cities.

(b) To the extent the Bonds are subject to optional redemption, the Board, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of the Bonds to be redeemed.

Section 4.3 Partial Redemption. (a) If less than all of the Bonds are to be redeemed pursuant to Section 4.2, the Board shall have the right to determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call at random the Bonds, or portions thereof, within such maturity or maturities and in such principal amounts for redemption as determined by the Board in its sole discretion.

(b) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Bond is to be partially redeemed, the Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.5 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

(d) The Paying Agent/Registrar shall promptly notify the Board in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.4 Mandatory Redemption of Certain Bonds. (a) The Authorized Officer shall specify in the Underwriting Agreements, Officer's Pricing Certificates, Initial Bonds and in the Bonds such obligations to redeem the Bonds mandatorily, and the Redemption Prices therefor, as are to be imposed on the Cities.

(b) Subject to the provisions of subsection (c) of this Section, when less than all of the Bonds of a specified maturity on a specified Stated Maturity Date are required to be redeemed as determined in accordance with this Section, the Board, acting on behalf of the Cities, shall have the right and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof within a maturity, that are to

be called for redemption. A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or an integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver an exchange Bond or Bonds in an aggregate amount equal to the unredeemed portion of the Bond so surrendered.

(c) In lieu of the procedure described in subsection (b) of this Section, if less than all of the Bonds of a Stated Maturity Date are required to be redeemed, the Cities and the Board shall have the right to accept tenders of Bonds of the applicable Stated Maturity Date and to purchase Bonds of such maturity in the open markets at any price that is less than the applicable Redemption Price for the Bonds required to be redeemed.

**Section 4.5 Notice of Redemption to Holders.** (a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, or by such other means as is acceptable to such Holders, not less than 30 days before the date fixed for redemption, to the Holder of each Bond (or part thereof) to be redeemed, at the address shown on the Obligation Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice.

**Section 4.6 Conditional Notice of Redemption.** With respect to any optional redemption of Bonds, unless certain prerequisites to such redemption required by the Master Bond Ordinance or this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Board, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Board shall not redeem such Bonds and the Paying Agent shall notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

**Section 4.7 Payment Upon Redemption.** (a) Before or on each redemption date, the Board on behalf of the Cities shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the Board and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Bonds being redeemed, or the tender or negotiated price in the case of Bonds tendered or purchased under Section 4.4(c).

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.8 Effect of Redemption. (a) Notice of redemption having been given as provided in Section 4.5 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Cities fail in their obligation to make provision for the payment of the principal thereof, redemption premium, if any, or accrued interest thereon on the date fixed for redemption, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the Cities shall fail to make provision for payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same by the Cities.

## ARTICLE V

### PAYING AGENT/REGISTRAR

Section 5.1 Appointment of Initial Paying Agent/Registrar. The Bank of New York Mellon Trust Company, N.A., is hereby appointed as the initial Paying Agent/Registrar for the Bonds, under and subject to the terms and provisions of the Master Paying Agent Agreement.

Section 5.2 Qualifications. The Paying Agent/Registrar shall be a commercial bank, a trust company organized under applicable laws, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 5.3 Maintaining Paying Agent/Registrar. (a) At all times while any Bonds are Outstanding, the Cities will maintain a Paying Agent/Registrar that is qualified under Section 5.2 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the Board will promptly appoint a replacement.

Section 5.4 Termination. The Cities, acting through the Board, upon not less than 60 days notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.5 Notice of Change. Promptly upon each change in the entity serving as Paying Agent/Registrar, the Board will cause notice of the change to be sent to each Holder and Insurer by first class United States mail, postage prepaid, at the address in the Obligation Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.6 Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar acknowledges receipt of copies of the Master Bond Ordinance and this Ordinance, and is deemed to have agreed to the provisions thereof, and to perform the duties and functions of Paying Agent/Registrar prescribed therein and herein.

Section 5.7 Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Obligation Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE BONDS

Section 6.1 Form Generally. (a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance or the Officer's Pricing Certificates, and (ii) 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 (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Board.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The Bonds, including the Initial Bonds submitted to the Attorney General of Texas and any temporary Bonds, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

Section 6.2 Form of Bond. The forms of Bond, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows for each Bond of each series:

(a) [Form of Bond]

REGISTERED

REGISTERED

No. \_\_\_\_\_

\$ \_\_\_\_\_

United States of America  
State of Texas  
Cities of Dallas and Fort Worth

**DALLAS/FORT WORTH INTERNATIONAL AIRPORT  
JOINT REVENUE BOND, SERIES \_\_\_\_<sup>1</sup>**

INTEREST RATE: \_\_\_\_\_%      MATURITY DATE: \_\_\_\_\_, \_\_\_\_\_      ORIGINAL ISSUE DATE: \_\_\_\_\_ 1, 2019      CUSIP NO.: \_\_\_\_\_

The Cities of Dallas and Fort Worth, Texas (the "Cities"), for value received, hereby promise to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date, as specified above, the sum of

\_\_\_\_\_ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of \_\_\_\_\_, 2019<sup>2</sup>, or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on May 1 and November 1 of each year, commencing \_\_\_\_\_, 2019.<sup>3</sup> Interest on the Bonds shall accrue from the date of the initial delivery thereof.

Capitalized terms appearing herein that are defined terms in the Ordinances defined below, have the meanings assigned to them in the Ordinances. Reference is made to the Ordinances for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office"), of The Bank of New York Mellon Trust Company, N.A. or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all

<sup>1</sup> To be completed pursuant to the Officer's Pricing Certificate for the Bonds.

<sup>2</sup> To be completed pursuant to the Officer's Pricing Certificate for the Bonds.

<sup>3</sup> To be completed pursuant to the Officer's Pricing Certificate for the Bonds.

payments of the principal of, redemption premium, if any, and interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such registered owner. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the 15th day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Cities or in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof, dated \_\_\_\_\_, 2019<sup>4</sup> issued in the aggregate principal amount of \$\_\_\_\_\_ <sup>5</sup> issued pursuant to the authority of Chapter 22, Texas Transportation Code, as amended, Chapters 1207 and 1371, Texas Government Code, as amended and the "Master Bond Ordinance," as defined in the Fifty-Fourth Supplemental Concurrent Bond Ordinance adopted concurrently by the City Councils of the Cities (the "Fifty-Fourth Supplemental Ordinance"). The Master Bond Ordinance and the Fifty-Fourth Supplemental Ordinance are herein collectively referred to as the "Ordinances." This Bond is one of the Additional Obligations authorized by the Ordinances and is subject to the terms and provisions thereof. The Ordinances and their respective terms and provisions are incorporated herein for all purposes. As set forth in the Fifty-Fourth Supplemental Ordinance any owner hereof is deemed to have irrevocably consented to the Fifty-Third Supplemental Concurrent Bond Ordinance adopted by the City Councils of the Cities (as defined in the Fifty-Fourth Supplemental Ordinance).

The Bonds were issued by the Cities for the purposes of obtaining funds to refund certain obligations previously issued by the Cities/pay costs of capital improvements at the Airport (including capitalized interest, if any), to provide funding for the Debt Service Reserve Requirements through either the deposit of Bond proceeds or entering into a surety or such other agreements, and to pay the Cities' and the Board's costs incurred in connection with the issuance of the Bonds, including the costs of the Policy or Policies for Insurance, if any, or the surety or debt service reserve agreement.

The Bonds and the interest thereon are payable from, and are secured by a first lien on and pledge of the Pledged Revenues and the Pledged Funds.

The lien on and pledge of the Pledged Revenues and Pledged Funds created and granted in the Ordinances in favor of the Bonds is on a parity with the lien and pledge thereof granted by the Cities in favor of the Holders of Outstanding Obligations, the Initial Obligations, and any Additional Obligations or Parity Credit Agreement Obligations that may be issued or executed pursuant to the Master Bond Ordinance, as defined and permitted therein. The Cities have reserved the right in the Ordinances to issue

<sup>4</sup> To be completed pursuant to the Officer's Pricing Certificate for the Bonds.

<sup>5</sup> To be completed pursuant to the Officer's Pricing Certificate for the Bonds.

Additional Obligations and Parity Credit Agreement Obligations that, after issuance, may be secured by liens on and pledges of the Pledged Revenues and Pledged Funds on a parity with the lien thereon in favor of the Bonds.

The Cities have also reserved the right in the Ordinances to issue Subordinate Lien Obligations, and Net Revenue Obligations and Credit Agreement Obligations in connection therewith, provided the lien and pledge securing the same are expressly made junior and subordinate to the pledge and lien securing the Obligations and Parity Credit Agreement Obligations.

All covenants requiring the Cities to pay principal and interest or other payments on Obligations, Subordinate Lien Obligations, Net Revenue Obligations, and Credit Agreement Obligations shall be joint, and not several, obligations, and all monetary obligations shall be payable and collectible solely from the revenues and funds expressly pledged thereto by the Ordinances or by an Additional Supplemental Ordinance, such revenues and funds being owned in undivided interests by the City of Dallas (to the extent of 7/11ths thereof) and by the City of Fort Worth (to the extent of 4/11ths thereof); and, each and every Holder shall by his acceptance of this Bond consent and agree that no claim, demand, suit, or judgment for the payment of money shall ever be asserted, filed, obtained or enforced against either of the Cities apart from the other City and from sources other than the funds and revenues pledged thereto; and no liability or judgment shall ever be asserted, entered or collected against either City individually, except out of such pledged revenues and exceeding in the case of Dallas an amount equal to 7/11ths of the total amount asserted or demanded, and in the case of Fort Worth an amount equal to 4/11ths of the total amount asserted or demanded. The Holders hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

[The Cities have reserved the right and option to redeem the Bonds maturing in the years \_\_\_\_ through \_\_\_\_, inclusive, in whole or part, in principal amounts equal to \$5,000 or any integral multiple thereof, before their respective maturity dates, on November 1, \_\_\_\_, or on any date thereafter, at a price equal to the principal amount thereof, plus interest to the date fixed for redemption, without premium.]<sup>6</sup>

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<sup>6</sup> Optional redemption provisions to be inserted pursuant to the Officer's Pricing Certificate for the Bonds.

[The Bonds maturing November 1, \_\_\_\_ November 1, \_\_\_\_, November 1, \_\_\_\_ and November 1, \_\_\_\_ shall be redeemed prior to stated maturity in part at random on November 1 as indicated, in each of the years set forth below from moneys required to be deposited to the credit of the Debt Service Fund at the principal amount thereof and accrued interest to date of redemption, without premium. Such required sinking fund installments as to each maturity are as follows:

**BONDS MATURING NOVEMBER 1, \_\_\_\_**

<u>Year</u>	<u>Amount</u>
-------------	---------------

**BONDS MATURING NOVEMBER 1, \_\_\_\_**

<u>Year</u>	<u>Amount</u>
-------------	---------------

**BONDS MATURING NOVEMBER 1, \_\_\_\_**

<u>Year</u>	<u>Amount</u>
-------------	---------------

**BONDS MATURING NOVEMBER 1, \_\_\_\_**

<u>Year</u>	<u>Amount</u>
-------------	---------------

**BONDS MATURING NOVEMBER 1, \_\_\_\_**

<u>Year</u>	<u>Amount</u>
-------------	---------------

The Paying Agent/Registrar will select at random the specific Bonds (or with respect to Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the Board on behalf of the City, by the principal amount of any Bonds having the same maturity which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the Board on behalf of the City at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]<sup>7</sup>

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Bonds to be

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<sup>7</sup> Mandatory redemption provisions to be inserted pursuant to the Officer's Pricing Certificate for the Bonds.

redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue.

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

As provided in the Ordinances, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the Cities, the Board, nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The Cities, the Board, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the Cities, the Board, nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law.

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IN WITNESS WHEREOF, the City Council of the City of Dallas, Texas, has caused the facsimile seal of that City to be placed hereon and this Bond to be signed by the facsimile signature of its Mayor and countersigned by the facsimile signatures of its City Manager and City Secretary; and the City Council of the City of Fort Worth, Texas, has caused the facsimile seal of that City to be placed hereon and this Bond to be signed by the facsimile signature of its Mayor, countersigned by the facsimile signature of its City Secretary, and approved as to form and legality by its City Attorney.

**COUNTERSIGNED:**

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City Manager,  
City of Dallas, Texas

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Mayor,  
City of Dallas, Texas

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City Secretary,  
City of Dallas, Texas

**APPROVED AS TO FORM:**

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City Attorney,  
City of Dallas

**COUNTERSIGNED:**

---

City Secretary,  
City of Fort Worth, Texas

---

Mayor,  
City of Fort Worth, Texas

**APPROVED AS TO FORM AND LEGALITY:**

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City Attorney,  
City of Fort Worth, Texas

(b) [Form of Certificate of Paying Agent/Registrar]

**CERTIFICATE OF PAYING AGENT/REGISTRAR**

This is one of the Bonds referred to in the within mentioned Ordinances. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Paying Agent/Registrar

Dated:

By: \_\_\_\_\_  
Authorized Signatory

(c) [Form of Assignment]

**ASSIGNMENT**

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

\_\_\_\_\_ (Social Security or other identifying number: \_\_\_\_\_) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner satisfactory to the Paying Agent/Registrar.

(d) Initial Bond Insertions.

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(A) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and "CUSIP NO. \_\_\_\_\_" deleted;

(B) in the first paragraph:

the words "on the Maturity Date" shall be deleted and the following will be inserted:

(C) "on \_\_\_\_\_ in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

	<u>Principal</u>	<u>Interest</u>
<u>Years</u>	<u>Installments</u>	<u>Rates</u>

(D) (Information to be inserted in accordance with the Officer's Pricing Certificate; and

(E) the Initial Bond shall be numbered TC-1.

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond in lieu of the Certificate of the Paying Agent/Registrar:

**REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS**

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has examined and approved this Bond as required by law, and that he finds that it has been issued in conformity with the constitution and laws of the State of Texas, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this \_\_\_\_\_.

[SEAL]

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

Section 6.3 CUSIP Registration. The Cities may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Cities, the Board, nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.4 Legal Opinion. The approving legal opinions of McCall, Parkhurst & Horton L.L.P., and Mahomes Bolden PC, Co-Bond Counsel, shall be delivered to the Paying Agent/Registrar and the delivery thereof shall be acknowledged by the Paying Agent/Registrar on behalf of the Holders of the Bonds.

## ARTICLE VII

### EXECUTION, APPROVAL, REGISTRATION, SALE AND DELIVERY OF BONDS AND RELATED DOCUMENTS

Section 7.1 Method of Execution, Delivery of Initial Bond. (a) Each of the Bonds shall be signed and executed on behalf of the City of Dallas by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signatures of its City Manager and City Secretary, and the corporate seal of that City shall be impressed, printed, lithographed or otherwise reproduced or placed on each bond. Each of the Bonds shall be signed and executed on behalf of the City of Fort Worth by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Secretary; the same shall be approved as to form and legality by the manual or facsimile signature of the City Attorney of the City, and its corporate seal shall be impressed, printed, lithographed or otherwise reproduced or placed upon each bond. All manual or facsimile signatures placed upon the Bonds shall have the same effect as if manually placed thereon, all to be done in accordance with Applicable Law.

(b) In the event the Mayor, City Secretary, City Manager or City Attorney of either of the Cities is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem, the Assistant City Secretary, an Assistant City Manager or an Assistant City Attorney, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary, and an Assistant City Manager and an Assistant City Attorney shall, for the purposes of this Ordinance, have the same force and effect as if such duties were performed by the Mayor, City Secretary, City Manager and City Attorney, respectively. If any official from either City whose manual or facsimile signature shall appear on the Bonds, shall cease to be such official before the Authentication of the Bonds or before delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purpose as if such official had remained in such office.

(c) On the Closing Date, one "Initial Bond," of each series representing the entire principal amount of all Bonds of such series and the terms set forth in each Officer's Pricing Certificate applicable thereto, payable in stated installments to the Purchasers or its designee, executed by manual or facsimile signatures of the Mayors and the City Manager of the City of Dallas and countersigned by the City Secretaries of the Cities and approved as to form and legality by the City Attorney of the City of Fort Worth, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State, will be delivered to the Purchaser of each series or its designee. Upon payment for the Initial Bonds, the Paying Agent/Registrar shall cancel the Initial Bonds and deliver to DTC on behalf of the Purchaser registered definitive Bonds for each maturity of each series as described in Section 3.7.

(d) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/ Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bonds shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State or by his duly authorized agent, which certificate shall be evidence that the Initial Bonds have been duly approved by the Attorney General of the State and that it is a valid and binding obligation of the Cities, and has been registered by the Comptroller.

Section 7.2 Approval and Registration. The Board is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Chairman, and the officers and employees of the Board and of the Cities are hereby authorized and instructed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds or the Initial Bond to the Attorney General of the State of Texas and to assure the investigation, examination and approval thereof by the Attorney General and their registration by the Comptroller of Public Accounts. Upon registration of the Bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act for him) shall manually sign the Comptroller's Registration Certificate accompanying the Bonds and the seal of the Comptroller shall be impressed, or placed in facsimile, on such certificate. The Chairman of the Board and the Chief Executive Officer of the Airport shall be further authorized to make such agreements and arrangements with the purchasers of Bonds and with the Paying Agent/Registrar as may be necessary to assure that such Bonds will be delivered to such purchasers in accordance with the terms of sale.

Section 7.3 Approval of Credit Agreements. The Board is authorized to enter into Credit Agreements relating to the Bonds from time to time while the Bonds are Outstanding in accordance with Applicable Law.

Section 7.4 Official Statement. The preparation, execution and delivery of a preliminary official statement and a final official statement for the Bonds and any supplements thereto which may be necessary to accomplish the issuance of Bonds are hereby authorized, in such form and with such changes therein as shall be approved by an Authorized Officer or the Board, with an Authorized Officer's execution of the Officers Pricing Certificate for the Bonds to constitute conclusive evidence of such approval.

Section 7.5 Attorney General Modification. In order to obtain the approval of the Bonds by the Attorney General of the State of Texas, any provision of this Ordinance may be modified, altered or amended after the date of its adoption if required by the Attorney General in connection with the Attorney General's examination as to the legality of the Bonds and approval thereof in accordance with the applicable law. Such changes, if any, shall be provided to the City Secretary of each City and such City Secretary shall insert such changes into this Ordinance as if approved on the date hereof.

Section 7.6 Further Action. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents in addition to those enumerated herein and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Ordinance.

Section 7.7 Refunding and Redemption of Refunded Bonds. (a) The Cities hereby direct that the Refunded Bonds, or portions thereof specified in each Officer's Pricing Certificate, be called for

redemption on the date or dates set forth in the Officer's Pricing Certificate (the "Redemption Date") and that the paying agent for the Refunded Bonds (the "Escrow Agent") deposit an amount sufficient, with investment earnings thereon, if any, to pay the amount due on the Refunded Bonds on the Redemption Date (the "Redemption Date"), all in accordance with the form of notice of redemption prepared by the Escrow Agent and attached to the Escrow Agreement. The Refunded Bonds shall not bear interest after the Redemption Date.

(b) The Authorized Officer is hereby authorized to enter into an escrow agreement (the "Escrow Agreement") with the Escrow Agent. The Escrow Agent is authorized to take such steps as may be necessary or appropriate to purchase securities and to create and fund the Escrow Fund pursuant to the Escrow Agreement through the use of the proceeds of the Bonds and other lawfully available monies, and to use such monies to redeem the Refunded Bonds on the Redemption Date.

## **ARTICLE VIII**

### **GENERAL PROVISIONS**

**Section 8.1 Deposit and Uses of Bond Proceeds.** The proceeds received from the sale of the Bonds, together with other available funds, if any, shall be applied as follows: (i) an amount as specified in the Officer's Pricing Certificate shall be deposited to the Debt Service Reserve Fund or shall be used to purchase a Credit Agreement, which together with the amount on deposit therein, is equal to the Debt Service Reserve Requirement; (ii) an amount, specified in the Officer's Pricing Certificate shall be deposited into the Escrow Fund for the Refunded Bonds; and (iii) an amount specified in the Officer's Pricing Certificate, equal to the Cities' and the Board's costs of issuance of the Bonds will be deposited as directed by an Authorized Officer.

**Section 8.2 Payment of the Bonds.** While any of the Bonds are outstanding and unpaid, the Board shall make available to the Paying Agent/Registrar, out of the Debt Service Fund or the Debt Service Reserve Fund, the amounts and at the times required by this Ordinance and the Master Bond Ordinance, money sufficient to pay when due all amounts required to be paid by this Ordinance, the Master Bond Ordinance, the Outstanding Ordinances, and the Additional Supplemental Ordinances, if any, that authorize the issuance of the Initial Obligations or Additional Obligations.

**Section 8.3 Representations and Covenants.** (a) The Cities and the Board will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in the Master Bond Ordinance and this Ordinance; the Cities will promptly pay or cause to be paid from Pledged Revenues the principal of, interest on, and premium, if any, with respect to, each Bond on the dates and at the places and manner prescribed in each Bond; and the Cities will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by the Master Bond Ordinance and this Ordinance.

(b) The Cities are duly authorized by Applicable Law to issue the Bonds; all action on their part for the issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Holders are and will be valid and enforceable special obligations of the Cities and the Board in accordance with their terms.

(c) The Board, the officers, employees and agents are hereby directed to observe, comply with and carry out the terms and provisions of this Ordinance.

Section 8.4 Bond Insurance. The Bonds may be offered with one or more commitments for bond insurance provided by the Insurer or Insurers, with the bond insurance to be evidenced by one or more of the then current legal forms of the Policy or Policies. The Cities may sell one or more maturities of the Bonds based on such insurance but are not required to obtain bond insurance from another source if the Insurer does not honor or is unable to honor its obligations to deliver the Policy or Policies on the Closing Date. In the event that any of the Bonds are insured, the covenants and representations of the Cities relating to insurance shall be set forth in the Officer's Pricing Certificates.

Section 8.5 Issuance of Taxable Bonds. The Bonds are not obligations described in section 103(a) of the Code.

## ARTICLE IX

### REPEAL, SEVERABILITY, AND EFFECTIVE DATE

Section 9.1 Ordinance Irrepealable. After any of the Bonds shall be issued, this Ordinance shall constitute a contract between the Cities, the Holders, and each Insurer, and this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled, refunded or discharged or provision for the payment thereof shall be made.

Section 9.2 Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance. If any Section, paragraph, clause or provision of the Contract and Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of the Contract and Agreement, or of any other provisions of this Ordinance not dependent directly for effectiveness upon the provision of the Contract and Agreement thus declared to be invalid and unenforceable.

Section 9.3 Effective Date. This Ordinance, when duly passed by both Cities, shall be in full force and effect.

**PASSED BY THE FORT WORTH CITY COUNCIL THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019.**

**ATTEST:**

\_\_\_\_\_  
Mayor  
City of Fort Worth, Texas

\_\_\_\_\_  
City Secretary  
City of Fort Worth

**APPROVED AS TO FORM AND LEGALITY:**

\_\_\_\_\_  
City Attorney  
City of Fort Worth, Texas

THE STATE OF TEXAS       §  
COUNTY OF TARRANT       §  
CITY OF FORT WORTH       §

I, Mary J. Kayser, City Secretary of the City of Fort Worth, Texas, do hereby certify:

1. That the above and foregoing is a true and correct copy of an Ordinance, duly presented and passed by the City Council of the City of Fort Worth, Texas, at a regular meeting held on \_\_\_\_\_, 2019, as same appears of record in the Office of the City Secretary.

2. 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 the Official Seal of the City of Fort Worth, Texas, this \_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
City Secretary,  
City of Fort Worth, Texas

(SEAL)

**APPROVED AND ADOPTED BY THE DALLAS CITY COUNCIL THIS MAY 22, 2019.**

**CITY OF DALLAS:**

T. C. Broadnax,  
City Manager

**APPROVED AS TO FORM:**

Christopher J. Caso,  
Interim City Attorney

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_  
Assistant City Attorney

THE STATE OF TEXAS                   §  
COUNTY OF DALLAS                   §  
CITY OF DALLAS                       §

I, Billierae Johnson, City Secretary of the City of Dallas, Texas, do hereby certify:

1.       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, May 22, 2019, confirming the passage of Dallas/Fort Worth International Airport Fifty-Fourth Supplemental Concurrent Bond Ordinance authorizing the issuance of Dallas/Fort Worth International Airport Joint Revenue Bonds which ordinance is duly of record in the minutes of said City Council.

2.       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 \_\_\_\_ day of \_\_\_\_\_, 2019.

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City Secretary,  
City of Dallas, Texas

(SEAL)

**SCHEDULE I**

**SCHEDULE OF REFUNDED BOND CANDIDATES**

All or any portion of the following outstanding bonds that are set for in the Officer's Pricing Certificate:



Agenda Information Sheet

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**File #:** 19-687

**Item #:** 69.

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

**AGENDA DATE:** May 22, 2019

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

**DEPARTMENT:** Office of Budget

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

A public hearing to receive comments on **(1)** the Proposed FY 2019-20 HUD Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds; and **(2)** the new Five-Year Consolidated Plan, covering the period of FY 2019-20 through FY 2023-24 - Financing: No cost consideration to the City

**BACKGROUND**

Federal regulations require a public hearing on the City's Proposed Consolidated Plan Budget for U. S. Department of Housing and Urban Development (HUD) grant funds. This includes the following grants: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Federal regulations also require a public hearing on the new Five-Year Consolidated Plan.

A public comment period of not less than 30 days and a public hearing to receive comments is also required by federal regulations and the City's Citizen Participation Plan.

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

On April 17, 2019, City Council was briefed on the Proposed FY 2019-20 HUD Consolidated Plan Budget and the Community Development Commission's recommendations.

On May 8, 2019, City Council authorized preliminary adoption of the Proposed FY 2019-20 HUD Consolidated Plan Budget, the new Five-Year Consolidated Plan, and authorized a public hearing to be held on May 22, 2019, to receive comments on the proposed use of funds by Resolution No. 19-0704.

On May 15, 2019, City Council will be briefed on the Proposed FY 2019-20 HUD Consolidated Plan Budget, proposed City Council amendments will be discussed and straw votes will be taken.

**FISCAL INFORMATION**

No cost consideration to the City.



Agenda Information Sheet

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**File #:** 19-574

**Item #: 7**

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

**AGENDA DATE:** May 22, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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**SUBJECT**

Authorize the purchase of **(1)** sixteen pieces of fleet vehicles and equipment with Austin Truck and Equipment, Ltd. dba Freightliner of Austin in the amount of \$747,904.00, Chastang Ford in the amount of \$426,038.00, Kirby-Smith Machinery in the amount of \$149,995.00, BTE Body Co., Inc. in the amount of \$135,540.00, Berry Companies, Inc. dba Bobcat of Dallas in the amount of \$76,552.00, and Magnum Trailers dba Magnum Custom Trailer Mfg. Co., Inc. in the amount of \$11,981.60 through the Texas Association of School Boards cooperative agreement; and **(2)** three pieces of fleet vehicles with Sam Pack's Five Star Ford in the amount of \$93,284.70 through the Tarrant County interlocal agreement - Total not to exceed \$1,641,295.30 - Financing: General Fund (\$1,429,110.50), Water Capital Improvement Series Fund (\$149,995.00), and Master Lease-Equipment Fund (\$62,189.80)

**BACKGROUND**

This item was placed on the addendum to support the Department of Code Compliance's new Community Clean Program, which was briefed to the Quality of Life, Arts, and Culture Committee on May 13, 2019.

This item will allow for the purchase of two pieces of equipment to be used by the Water Utilities Department. The articulating boom lift and transport trailer will be used at the East Side Water Treatment Plant to perform work and repairs to on-site equipment. The articulating boom lift allows safe access to areas in confined spaces.

Additionally, this item will allow for the purchase of seventeen pieces of fleet vehicles and equipment for the Department of Code Compliance as a part of the Community Clean Initiative and citywide rapid response pickups for illegal dumping, onsite premise abatement, and debris cleanup. The Community Clean Initiative is a city-wide effort which consists of a dedicated team of Code inspectors and a Nuisance Abatement team. The team will engage and educate residents, refer residents to available resources, and abate code violations in target areas prone to chronic illegal dumping, high weeds and litter. The initiative provides for equitable deployment of field resources

including extended coverage to evenings and weekends. This equipment will be used to abate code violations as part of this initiative.

The following new additions of nineteen pieces of fleet vehicles and equipment for various City departments includes:

- 10/12 cubic yard dump truck 2 (Department of Code Compliance)
- Articulating boom lift 1 (Water Utilities Department)
- Brush truck 2 (Department of Code Compliance)
- Skid steer loader 2 (Department of Code Compliance)
- Medium duty pick-ups 3 (Department of Code Compliance)
- Combo roto-boom 2 (Department of Code Compliance)
- Roll off container truck 2 (Department of Code Compliance)
- Boom lift trailer 1 (Water Utilities Department)
- Brush truck trailer 2 (Department of Code Compliance)
- Skid steer trailer 2 (Department of Code Compliance)

The Texas Association of School Boards cooperative agreement and the Tarrant County interlocal agreement are authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

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

On March 25, 2015, City Council authorized a one-year master agreement for the purchase of eighty-seven fleet vehicles and equipment with Rush Truck Centers of Texas, LP dba Rush Crane & Refuse Systems International, The Around The Clock Freightliner Group, LLC, Freedom Chevrolet, Southwest International Trucks, Inc., Equipment Southwest, Inc., RDO Equipment Company, Kirby-Smith Machinery, Inc. and Bobcat of Dallas; twenty fleet vehicles and equipment with Holt Texas, Ltd. dba Holt Cat, Caldwell Country Chevrolet, Sam Pack's Five Star Ford, Ltd. and Southwest International Trucks, Inc.; and one-hundred nine fleet vehicles and equipment with Sam Pack's Five Star Ford, Ltd. by Resolution No. 15-0478.

On December 9, 2015, City Council authorized a one-year master agreement for the purchase of one hundred fleet vehicles and equipment with Chastang Ford, Southwest International Trucks, Inc., Austin Truck & Equipment, LTD dba Freightliner of Austin, Holt Texas, Ltd. dba Holt Cat, RDO Equipment Company, BTE Body Company, Inc., Clark Equipment Company dba Bobcat Company, Kirby-Smith Machinery, Inc., Landmark Equipment, Inc. and Darr Equipment; one hundred eighty-one fleet vehicles with Sam Pack's Five Star Ford, Ltd.; eighty-three Police fleet and equipment with Freedom Dodge, Kinloch Equipment and Supply, Inc. and Blueline Rental, LLC; and twenty-one fleet vehicles with Freedom Chevrolet by Resolution No. 15-2199.

On May 11, 2016, City Council authorized the purchase of eleven pieces of fleet vehicles and equipment with Briggs Equipment, Darr Equipment, Southwest International Trucks, Inc., Kirby-Smith Machinery, RDO Equipment, Austin Truck and Equipment, LTD dba Freightliner of Austin, Central Texas Heavy Equipment Co., Inc.; four pieces of fleet vehicles with Sam Pack's Five Star Ford; two pieces of fleet equipment with Rush Truck Centers of Texas, LP; and two fleet vehicles with Freedom Dodge dba Duncanville Automotive by Resolution No. 16-0717.

On June 22, 2016, City Council authorized the purchase of twenty-three pieces of fleet vehicles and equipment with Hudson Bus Sales, LLC and Metro Fire Apparatus Specialists, Inc.; one pumper truck with Brasada Ford, Ltd.; and one excavator with mower attachment with Landmark Equipment, Inc. by Resolution No. 16-1053.

On September 28, 2016, City Council authorized the purchase of four fleet vehicles for Fire-Rescue with Sam Pack's Five Star Ford by Resolution No. 16-1551.

On January 25, 2017, City Council authorized a one-year master agreement for the purchase of 85 pieces of fleet equipment with Chastang Ford, Holt Texas, Ltd., BTE Body Co., Inc., Austin Truck and Equipment dba Freightliner of Austin, Southwest International Trucks, Inc., RDO Equipment Co., Sam Pack's Five Star Ford, and Landmark Equipment; 157 fleet vehicles and equipment with Sam Pack's Five Star Ford; 107 fleet vehicles with Freedom Chevrolet; and 2 pieces of fleet equipment with Wausau Equipment Company, Inc. by Resolution No. 17-0181.

On May 24, 2017, City Council authorized the purchase of 28 pieces of fleet vehicles and equipment with Metro Fire Apparatus Specialists, Daco Fire Equipment, Hudson Bus Sales, LLC, Rush Truck Centers of Texas, LP, Silsbee Ford, Inc., Cues, Inc., Johnston North America, Inc., and Houston Freightliner, Inc.; 8 pieces of fleet and equipment with Bond Equipment, Austin Truck & Equipment, Ltd. dba Freightliner of Austin, RDO Equipment, Chastang Ford, and Briggs Equipment; and 20 pieces of fleet and equipment with Sam Pack's Five Star Ford by Resolution No. 17-0827.

On February 28, 2018, City Council authorized a one-year master agreement for the purchase of 549 pieces of fleet vehicles and equipment with Austin Truck & Equipment, LTD dba Freightliner of Austin, Sam Pack's Five Star Ford, Freedom Dodge dba Duncanville Automotive, Holt Texas, LTD, Chastang Ford, BTE Body Co., Inc., Freedom Chevrolet dba Duncanville Automotive, Grande Truck Center, Bond Equipment, Rush Truck Centers of Texas, LP dba Rush Truck Center Dallas Light and Medium Duty, and Landmark Equipment; 56 pieces of fleet vehicles and equipment with Siddons Emergency Group, LLC, Hudson Bus Sales, LLC dba Hudson Emergency Vehicle Sales, Sam Pack's Five Star Ford, and Houston Freightliner, Inc.; 89 pieces of fleet vehicles with Sam Pack's Five Star Ford; 9 pieces of fleet vehicles with Southwest International Trucks, Inc.; and 1 piece of equipment with East Texas Mack Sales, LLC by Resolution No. 18-0374.

On August 22, 2018, City Council authorized a one-year master agreement for the purchase of two pieces of fleet vehicles with Siddons Martin Emergency Group, LLC, and Houston Freightliner, Inc.; six pieces of equipment with Dickson Equipment Co., Inc.; five pieces of equipment with Rush Truck Centers of Texas, LP, Kirby-Smith Machinery, Four Brothers Outdoor Power and RDO Equipment Co.; four pieces of equipment with Scully's Aluminum Boats, Inc.; and four pieces of fleet vehicles with Sam Pack's Five Star Ford by Resolution No. 18-1145.

On September 26, 2018, City Council authorized the purchase of five pieces of fleet equipment with Southwest International Trucks, Inc., and Plano Fun Center dba Plano Kawasaki Suzuki; one piece of fleet equipment with Sam Pack's Five Star Ford; and one piece of fleet equipment with Grande Truck Center by Resolution No. 18-1395.

On December 12, 2018, City Council authorized the purchase of 109 pieces of fleet vehicles and equipment is authorized with Chastang Ford, Holt Texas, Ltd., Austin Truck and Equipment dba Freightliner of Austin, Sam Pack's Five Star Ford Southwest International Trucks, Inc., Kirby-Smith Machinery, Kinloch Equipment & Supply, Inc., Freedom Chevrolet, Rush Truck Centers Of Texas, LP, Grande Truck Center, BTE Body Co., Inc., and Magnum Trailers dba Magnum Custom Trailer Mfg. Co., Inc.; 72 pieces of fleet vehicles with Sam Pack's Five Star Ford; 4 pieces of fleet equipment with Dickson Equipment Co., Inc., and Holt Texas Ltd.; and 9 pieces of fleet vehicles with Longhorn Harley-Davidson by Resolution No.18-1807.

The Government Performance & Financial Management Committee will receive this item for consideration on May 20, 2019.

**FISCAL INFORMATION**

General Fund - \$1,429,110.50  
 Water Capital Improvement Series Fund - \$149,995.00  
 Master Lease-Equipment Fund - \$62,189.80

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$1,641,295.30	CO-OP	N/A	N/A	N/A
<ul style="list-style-type: none"> <li>The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs).</li> </ul>				

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Cooperative Purchasing	<ul style="list-style-type: none"> <li>Cooperative Purchasing Agreements enable the City to associate with State agencies, other local governments, or local cooperative organizations comprised of other state and local governments, to leverage market buying power and enable the City to purchase goods or services at lower prices</li> <li>Cooperative Purchasing is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement</li> </ul>
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**OWNERS**

**Austin Truck and Equipment, Ltd. dba Freightliner of Austin**

Jay Hendrix, President  
 Carlton Hemple, Vice President

**Chastang Ford**

Joseph Chastang, President  
Patrick Chastang, Vice President  
Steve Bobo, Secretary

**Kirby-Smith Machinery**

Ed Kirby, President  
Jeff Weller, Vice President  
Celise Blewitt, Secretary  
JD Young, Treasurer

**BTE Body Co., Inc.**

Brian Bruckner, President  
Chris Bruckner, Vice President  
James Moody, Treasurer

**Berry Companies, Inc. dba Bobcat of Dallas**

Walter Berry, President

**Magnum Trailers dba Magnum Custom Trailer Mfg. Co., Inc.**

Charles McLemore, President  
Vance McLemore, Vice President

**Sam Pack's Five Star Ford**

Sam Pack, President

May 22, 2019

**WHEREAS**, on March 25, 2015, City Council authorized a one-year master agreement for the purchase of eighty-seven fleet vehicles and equipment with Rush Truck Centers of Texas, LP dba Rush Crane & Refuse Systems International, The Around The Clock Freightliner Group, LLC, Freedom Chevrolet, Southwest International Trucks, Inc., Equipment Southwest, Inc., RDO Equipment Company, Kirby-Smith Machinery, Inc. and Bobcat of Dallas; twenty fleet vehicles and equipment with Holt Texas, Ltd. dba Holt Cat, Caldwell Country Chevrolet, Sam Pack's Five Star Ford, Ltd. and Southwest International Trucks, Inc.; and one-hundred nine fleet vehicles and equipment with Sam Pack's Five Star Ford, Ltd. by Resolution No. 15-0478; and

**WHEREAS**, on December 9, 2015, City Council authorized a one-year master agreement for the purchase of one hundred fleet vehicles and equipment with Chastang Ford, Southwest International Trucks, Inc., Austin Truck & Equipment, LTD dba Freightliner of Austin, Holt Texas, Ltd. dba Holt Cat, RDO Equipment Company, BTE Body Company, Inc., Clark Equipment Company dba Bobcat Company, Kirby-Smith Machinery, Inc., Landmark Equipment, Inc. and Darr Equipment; one hundred eighty-one fleet vehicles with Sam Pack's Five Star Ford, Ltd.; eighty-three Police fleet and equipment with Freedom Dodge, Kinloch Equipment and Supply, Inc. and Blueline Rental, LLC; and twenty-one fleet vehicles with Freedom Chevrolet by Resolution No. 15-2199; and

**WHEREAS**, on May 11, 2016, City Council authorized the purchase of eleven pieces of fleet vehicles and equipment with Briggs Equipment, Darr Equipment, Southwest International Trucks, Inc., Kirby-Smith Machinery, RDO Equipment, Austin Truck and Equipment, LTD dba Freightliner of Austin, Central Texas Heavy Equipment Co., Inc.; four pieces of fleet vehicles with Sam Pack's Five Star Ford; two pieces of fleet equipment with Rush Truck Centers of Texas, LP; and two fleet vehicles with Freedom Dodge dba Duncanville Automotive by Resolution No. 16-0717; and

**WHEREAS**, on June 22, 2016, City Council authorized the purchase of twenty-three pieces of fleet vehicles and equipment with Hudson Bus Sales, LLC and Metro Fire Apparatus Specialists, Inc.; one pumper truck with Brasada Ford, Ltd.; and one excavator with mower attachment with Landmark Equipment, Inc. by Resolution No. 16-1053; and

**WHEREAS**, on September 28, 2016, City Council authorized the purchase of four fleet vehicles for Fire-Rescue with Sam Pack's Five Star Ford by Resolution No. 16-1551; and

**WHEREAS**, on January 25, 2017, City Council authorized a one-year master agreement for the purchase of 85 pieces of fleet equipment with Chastang Ford, Holt Texas, Ltd., BTE Body Co., Inc., Austin Truck and Equipment dba Freightliner of Austin, Southwest International Trucks, Inc., RDO Equipment Co., Sam Pack's Five Star Ford, and Landmark Equipment; 157 fleet vehicles and equipment with Sam Pack's Five Star Ford; 107 fleet vehicles with Freedom Chevrolet; and 2 pieces of fleet equipment with Wausau Equipment Company, Inc. by Resolution No. 17-0181; and

May 22, 2019

**WHEREAS**, on May 24, 2017, City Council authorized the purchase of 28 pieces of fleet vehicles and equipment with Metro Fire Apparatus Specialists, Daco Fire Equipment, Hudson Bus Sales, LLC, Rush Truck Centers of Texas, LP, Silsbee Ford, Inc., Cues, Inc., Johnston North America, Inc., and Houston Freightliner, Inc.; 8 pieces of fleet and equipment with Bond Equipment, Austin Truck & Equipment, Ltd. dba Freightliner of Austin, RDO Equipment, Chastang Ford, and Briggs Equipment; and 20 pieces of fleet and equipment with Sam Pack's Five Star Ford by Resolution No. 17-0827; and

**WHEREAS**, on February 28, 2018, City Council authorized a one-year master agreement for the purchase of 549 pieces of fleet vehicles and equipment with Austin Truck & Equipment, LTD dba Freightliner of Austin, Sam Pack's Five Star Ford, Freedom Dodge dba Duncanville Automotive, Holt Texas, LTD, Chastang Ford, BTE Body Co., Inc., Freedom Chevrolet dba Duncanville Automotive, Grande Truck Center, Bond Equipment, Rush Truck Centers of Texas, LP dba Rush Truck Center Dallas Light and Medium Duty, and Landmark Equipment; 56 pieces of fleet vehicles and equipment with Siddons Emergency Group, LLC, Hudson Bus Sales, LLC dba Hudson Emergency Vehicle Sales, Sam Pack's Five Star Ford, and Houston Freightliner, Inc.; 89 pieces of fleet vehicles with Sam Pack's Five Star Ford; 9 pieces of fleet vehicles with Southwest International Trucks, Inc.; and 1 piece of equipment with East Texas Mack Sales, LLC by Resolution No. 18-0374; and

**WHEREAS**, on August 22, 2018, City Council authorized a one-year master agreement for the purchase of two pieces of fleet vehicles with Siddons Martin Emergency Group, LLC, and Houston Freightliner, Inc.; six pieces of equipment with Dickson Equipment Co., Inc.; five pieces of equipment with Rush Truck Centers of Texas, LP, Kirby-Smith Machinery, Four Brothers Outdoor Power and RDO Equipment Co.; four pieces of equipment with Scully's Aluminum Boats, Inc.; and four pieces of fleet vehicles with Sam Pack's Five Star Ford by Resolution No. 18-1145; and

**WHEREAS**, on September 26, 2018, City Council authorized the purchase of five pieces of fleet equipment with Southwest International Trucks, Inc., and Plano Fun Center dba Plano Kawasaki Suzuki; one piece of fleet equipment with Sam Pack's Five Star Ford; and one piece of fleet equipment with Grande Truck Center by Resolution No. 18-1395; and

**WHEREAS**, on December 12, 2018, City Council authorized the purchase of 109 pieces of fleet vehicles and equipment is authorized with Chastang Ford, Holt Texas, Ltd., Austin Truck and Equipment dba Freightliner of Austin, Sam Pack's Five Star Ford Southwest International Trucks, Inc., Kirby-Smith Machinery, Kinloch Equipment & Supply, Inc., Freedom Chevrolet, Rush Truck Centers Of Texas, LP, Grande Truck Center, BTE Body Co., Inc., and Magnum Trailers dba Magnum Custom Trailer Mfg. Co., Inc.; 72 pieces of fleet vehicles with Sam Pack's Five Star Ford; 4 pieces of fleet equipment with Dickson Equipment Co., Inc., and Holt Texas Ltd.; and 9 pieces of fleet vehicles with Longhorn Harley-Davidson by Resolution No.18-1807; and

**Now, Therefore,**

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

**SECTION 1.** That the purchase of **(1)** sixteen pieces of fleet vehicles and equipment is authorized with Austin Truck and Equipment, Ltd. dba Freightliner of Austin (VC14977) in the amount of \$747,904.00, Chastang Ford (VS0000011688) in the amount of \$426,038.00, Kirby-Smith Machinery (502341) in the amount of \$149,995.00, BTE Body Co., Inc. (VS0000069486) in the amount of \$135,540.00, Berry Companies, Inc. dba Bobcat of Dallas (VC0000008555) in the amount of \$76,552.00, and Magnum Trailers dba Magnum Custom Trailer Mfg. Co., Inc. (VS0000052959) in the amount of \$11,981.60 through The Texas Association of School Boards cooperative agreement; and **(2)** three pieces of fleet vehicles is authorized with Sam Pack's Five Star Ford (113696) in the amount of \$93,284.70 through the Tarrant County interlocal agreement, in a total amount not to exceed \$1,641,295.30.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate requisition, to issue a purchase order for nineteen fleet vehicles and equipment. If a formal contract is required for this purchase instead of a purchase order, the City Manager is hereby authorized to execute the contract, approved 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.

May 22, 2019

**SECTION 4.** That the Chief Financial Officer is hereby authorized to disburse funds from the following appropriations in an amount not to exceed \$1,641,295.30:

<u>Fund</u>	<u>Department</u>	<u>Unit</u>	<u>Object</u>	<u>Amount</u>	<u>FY</u>	<u>Encumbrance</u>
0001	CCS	3472	4742	\$135,540.00	FY19	POEFM00000146330
0001	CCS	3472	4742	\$84,207.00	FY19	POEFM00000146331
0001	BMS	1991	4742	\$84,207.00	FY19	POEFM00000146331
0001	CCS	3472	4742	\$184,188.00	FY19	POEFM00000146332
0001	BMS	1991	4742	\$183,788.00	FY19	POEFM00000146332
0001	CCS	3472	4742	\$211,514.00	FY19	POEFM00000146327
ML19	EFM	E394	4740	\$62,189.80	FY19	POEFM00000146333
0001	CCS	3472	4742	\$31,094.90	FY19	POEFM00000146333
0001	CCS	3472	4742	\$38,276.00	FY19	POEFM00000146334
0001	CCS	1991	4742	\$13,195.20	FY19	POEFM00000146334
0001	CCS	3472	4742	\$25,080.80	FY19	POEFM00000146334
0001	CCS	3472	4742	\$213,219.00	FY19	POEFM00000146335
0001	BMS	1991	4742	\$212,819.00	FY19	POEFM00000146335
0001	CCS	3472	4742	\$5,990.80	FY19	POEFM00000146338
0001	BMS	1991	4742	\$5,990.80	FY19	POEFM00000146338
3115	DWU	PW50	4720	\$149,995.00	FY19	PODWU00000145364

**SECTION 5.** That this contract is designated as Contract No. DWU-2019-00010088.

**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.

# Memorandum



CITY OF DALLAS

DATE May 17, 2019

Honorable Members of the Government Performance & Financial Management  
Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,  
TO Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Voluntary Employee Benefits & Family and Medical Leave Administration (FMLA)**

On May 20, 2019, Nina Arias, Director of Human Resources will brief the Government Performance & Financial Management Committee on Voluntary Employee Benefits & Family and Medical Leave Administration (FMLA).

Please let me know if you have any questions.



Kimberly Tolbert  
Chief of Staff

Attachment

c: Honorable Mayor and Members of City Council  
T.C. Broadnax, City Manager  
Chris Caso, City Attorney (Interim)  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer  
Michael Mendoza, Chief of Economic Development and Neighborhood Services  
M. Elizabeth Reich, Chief Financial Officer  
Laila Aleqresh, Chief Innovation Officer  
Directors and Assistant Directors

# **Voluntary Employee Benefits & Family and Medical Leave Administration (FMLA)**

## **Requests for Proposal Overview and Recommendations**

**Government Performance & Financial  
Management Committee**  
**May 20, 2019**

**Nina Arias, (SHRM-CP)**  
**Director, Human Resources**

**Cheryl Mayo-Williams**  
**Contracts Manager, Human Resources**

**City of Dallas**



# Agenda

- Definition and current state
- RFP process
- Staff recommendations



# Voluntary Benefits: Current State

## What are Voluntary Benefits?

Employee paid benefits which employees individually select and enroll in for coverages: Supplemental Life Insurance, Short & Long Term Disability, Accident Coverage, Cancer Coverage, and Legal Services Coverage.

## Voluntary Insurance Products Currently Offered

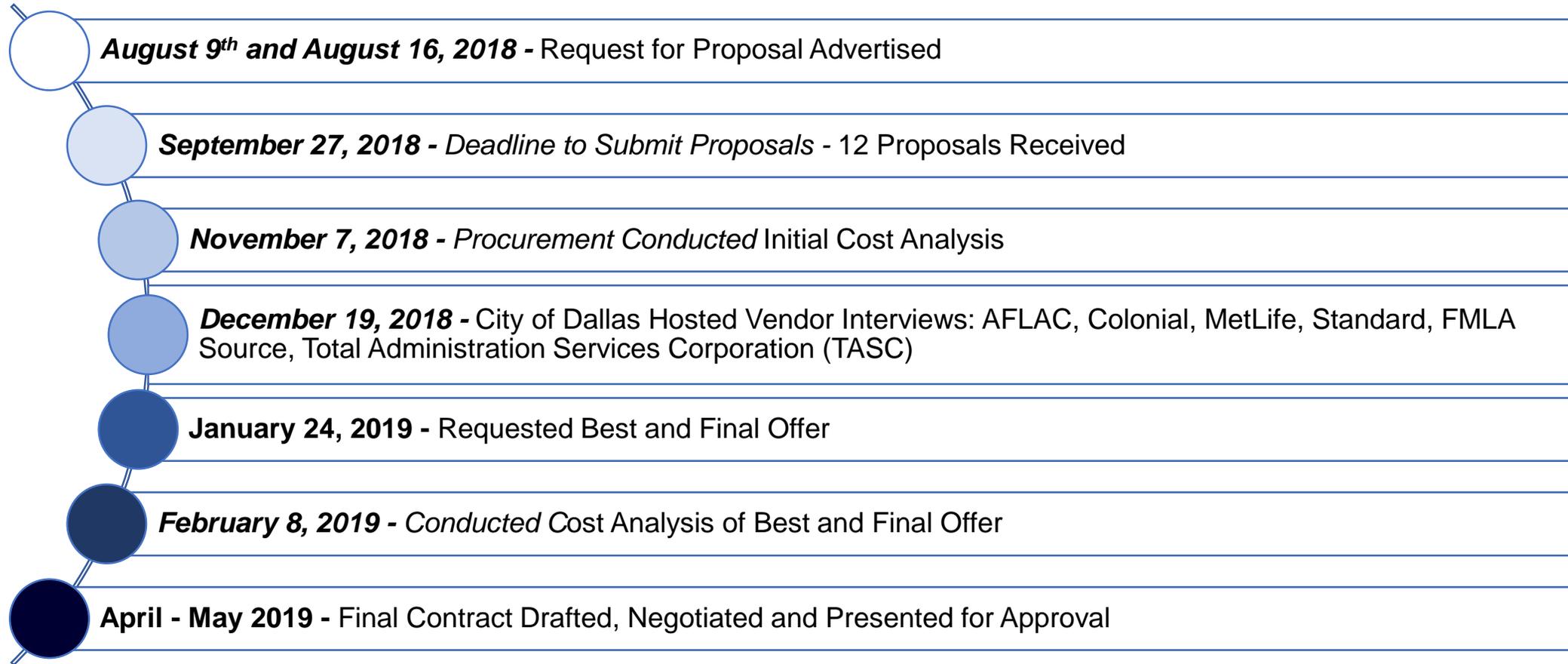
Insurance Offered*	Provider	Individual Policies
Accident, Critical Care, Cancer, Hospital Indemnity, Short Term Disability	AFLAC	14,301
Universal Life, Supplemental Life Insurance	Allstate	2,622
Family Legal, Identity Theft, Safeguard for Minors, Prepaid Legal Services	LegalShield	1,700
Long Term Disability	Abacus	2,674

\*New enrollment in coverages is currently frozen until a new vendor is selected

# Family and Medical Leave Administration: Current State

- The Family and Medical Leave Act (**FMLA**) is a federal law that requires covered employers to grant an eligible employee up to a total of 12 workweeks of unpaid leave during any 12-month period for qualified medical and family reasons.
- Over 900 family and medical leave requests each year.
- An RFP was issued to identify a professional resource (third party) to manage the FMLA program.
- Third Party Administration of FMLA allows the City of Dallas to better manage compliance, monitoring and privacy related matters.

# 2018-19 RFP Process and Steps



# Staff Recommendation – Voluntary Benefits

Vendor: Standard Insurance Company

- Offers a full-service, high quality solution to provide affordable voluntary products, manage administration, quality staffing and technical capabilities that are compatible with Workday.
- Is a leader in providing Voluntary Benefits to many large municipalities.
- Employee costs (deductions) will be lower than current plans.
- Proposed voluntary product plans are group products versus the higher costs individual products currently offered.



# Staff Recommendation - FMLA

Vendor: Total Administration Services Corporation (TASC)

- Provides a turn-key solution, at a reasonable cost.
- Reduces risk by enhancing the confidentiality of employee medical information.
- Improves compliance and consistency in FMLA administration.
- Full service vendor - package includes:
  - Hold Harmless guarantee.
  - Online FMLA activity reports and leave request functionality.
  - Access to health and legal professionals with expertise in Federal and State leave laws.



# **Voluntary Employee Benefits & Family and Medical Leave Administration (FMLA)**

## **Requests for Proposal Overview and Recommendations**

**Government Performance & Financial  
Management Committee**  
**May 20, 2019**

**Nina Arias, (SHRM-CP)**  
**Director, Human Resources**

**Cheryl Mayo-Williams**  
**Contracts Manager, Human Resources**

**City of Dallas**



# Memorandum



CITY OF DALLAS

DATE May 17, 2019

Honorable Members of the Government Performance & Financial Management  
Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,  
TO Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Budget Accountability Report – March 2019**

On May 20, the Office of Budget will provide the Budget Accountability Report (BAR) based on information through March 31, 2019 to the Government Performance & Financial Management Committee. This report combines the Financial Forecast Report (FFR), Dallas 365, and Budget Initiative Tracker into a single monthly report, which is attached for your review.

Please note, FY 2017-18 audited statements are now available, and we have adjusted the FY 2018-19 amended and year-end forecast beginning fund balance accordingly (refer to the General Fund Overview on page 3 of the report). We have also added information on the 2017 General Obligation Bond Program at the request of certain committee members (refer to page 13).

If you have any questions, please contact Jack Ireland, Director in the Office of Budget.

M. Elizabeth Reich  
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council  
T.C. Broadnax, City Manager  
Chris Caso, City Attorney (Interim)  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager  
Jon Fortune, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Nadia Chandler Hardy, Assistant City Manager & Chief of Resilience  
Laila Alequresh, Chief Innovation Officer  
Directors and Assistant Directors



MARCH 2019  
**BUDGET  
ACCOUNTABILITY  
REPORT**

PREPARED BY THE  
**OFFICE OF BUDGET**

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1500 Marilla Street, 4FN  
Dallas, TX 75201

214-670-3659  
[financialtransparency.dallascityhall.com](http://financialtransparency.dallascityhall.com)

# EXECUTIVE SUMMARY

## Financial Forecast Report

Operating Fund	Year-End Forecast vs. Budget	
	Revenues	Expenses
General Fund	✓	✓
Aviation	!	!
Convention and Event Services	✓	✓
Municipal Radio	!	✓
Sanitation Services	✓	✓
Storm Drainage Management	✓	✓
Sustainable Development and Construction	✓	✓
Dallas Water Utilities	✓	✓
Information Technology	✓	✓
Radio Services	✓	✓
Equipment and Fleet Management	✓	✓
Express Business Center	✓	✓
9-1-1 System Operations	✓	✓
Debt Service	✓	✓

✓ YE forecast within 5% of budget

! YE forecast within 6-10% of budget

✗ YE forecast more than 10% from budget or no forecast provided

### Dallas 365

✓ 21

On Track

! 7

Caution

✗ 7

Needs Improvement

### Budget Initiative Tracker

○ 5

Complete

✓ 36

On Track

! 3

Caution

✗ 0

Cancelled

# FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through March 31, 2019, for the General Fund and other annual operating funds of the City. The Adopted Budget reflects the budget adopted by City Council on September 18, 2018, effective October 1 through September 30. The Amended Budget column reflects City Council-approved transfers between funds and programs, approved use of contingency, and other amendments supported by revenue or fund balance.

Year-to-Date (YTD) Actual amounts represent revenue or expenses/encumbrances that have occurred through the end of the most recent accounting period. Departments provide the Year-End (YE) Forecast, which projects anticipated revenues and expenditures as of September 30, 2019. The variance is the difference between the FY 2018-19 Amended Budget and the YE Forecast. Variance notes are provided when the YE forecast is +/- five percent of the amended budget and/or if YE expenditures are forecast to exceed the amended budget.

## General Fund Overview

	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	\$182,017,646	\$182,017,646		\$207,908,478	\$25,890,832
Revenues	1,365,966,274	1,366,756,538	971,367,595	1,374,472,185	7,715,647
Expenditures	1,365,966,274	1,366,601,406	586,200,755	1,363,925,950	(2,675,458)
Ending Fund Balance	\$182,017,646	\$182,172,778		\$218,454,713	\$36,281,937

The General Fund overview provides a summary of financial activity through March 31, 2019.

**Fund Balance.** The summary includes fund balance with the YE revenue and expenditure forecasts. As of March 31, 2019, the YE forecast beginning fund balance represents the FY 2017-18 audited unassigned ending fund balance and includes FY 2017-18 YE savings.

**Revenues.** Through March 31, 2019, General Fund revenues are projected to be \$7,715,647 over budget. This is primarily due to forecasted increases in property tax and sales tax collections, franchise fees, Safelight fines, and interest revenue based on current trends.

**Expenditures.** Through March 31, 2019, General Fund expenditures are projected to be below budget by \$2,675,458. Departments are under budget primarily because of salary savings from vacant positions.

**Amendments.** The General Fund budget was amended on:

- November 14, 2018, by resolution #18-1641 in the amount of \$155,000 for the District 4 runoff election.
- February 13, 2019, by resolution #19-0296 in the amount of \$480,000 for the disassembly, removal, and transfer to storage of the Confederate monument in Pioneer Cemetery.

Budget adjustments approved by City Council on April 19, 2019, will be reflected in next month's Budget Accountability Report (BAR).

## Financial Forecast Report

**GENERAL FUND REVENUE**

Revenue Category <sup>1</sup>	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Property Tax	\$727,886,279	\$727,886,279	\$717,816,048	\$728,936,782	\$1,050,503
Sales Tax <sup>2</sup>	311,645,016	311,645,016	131,138,495	314,490,579	2,845,563
Franchise and Other	133,347,988	133,347,988	51,598,557	134,862,797	1,514,809
Charges for Service	110,146,088	110,146,088	37,262,318	112,022,090	1,876,002
Fines and Forfeitures	34,244,958	34,244,958	12,003,056	34,767,360	522,402
Operating Transfers In <sup>3</sup>	24,823,767	25,614,031	9,141,937	22,122,899	(3,491,132)
Intergovernmental	9,563,291	9,563,291	1,138,152	9,562,026	(1,265)
Miscellaneous <sup>4</sup>	6,320,104	6,320,104	4,341,805	7,313,297	993,193
Licenses and Permits	5,670,499	5,670,499	2,983,889	5,872,795	202,296
Interest <sup>5</sup>	2,318,284	2,318,284	3,943,337	4,521,560	2,203,276
<b>Total Revenue</b>	<b>\$1,365,966,274</b>	<b>\$1,366,756,538</b>	<b>\$971,367,595</b>	<b>\$1,374,472,185</b>	<b>\$7,715,647</b>

**VARIANCE NOTES**

General Fund revenue variance notes are provided below for revenue categories with YE forecast variances of +/- five percent and revenue with an amended budget.

**1 Revenue Category.** Beginning with the December 2018 BAR, revenue categories have been restated to match the City's Chart of Accounts.

**2 Sales Tax.** Sales tax revenues are forecast to be \$2,846,000 over budget due to increased collections. Over the most recent 12 months, sales tax receipts have increased by 4.0 percent.

**3 Operating Transfers In.** The revenue budget for Operating Transfers In was amended on November 14, 2018, by resolution #18-1641 for the District 4 runoff election, and on February 13, 2019, by resolution #19-0296 in the amount of \$480,000 for the disassembly, removal, and transfer to storage of the Confederate monument in Pioneer Cemetery. Revenue is forecast to be below budget due to deferral of inter-fund transfers. Budget adjustments approved by City Council on April 19, 2019, will be reflected in next month's BAR.

**4 Miscellaneous.** Miscellaneous revenues are forecast to be \$993,000 over budget primarily due to facility rental fees.

**5 Interest.** Interest revenue is forecast to be \$2,203,000 over budget based on current trends.

## Financial Forecast Report

**GENERAL FUND EXPENDITURES**

Expenditure Category	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	\$241,344,527	\$240,557,634	\$108,380,981	\$231,185,024	(\$9,372,610)
Civilian Overtime	6,660,128	6,643,021	4,454,459	8,720,470	2,077,449
Civilian Pension	35,070,258	34,947,747	15,588,874	33,328,669	(1,619,078)
Uniform Pay	423,709,510	423,709,510	191,669,070	416,228,930	(7,480,580)
Uniform Overtime	39,354,268	39,354,268	20,737,201	45,551,853	6,197,585
Uniform Pension	159,002,901	159,002,901	65,662,193	159,002,901	0
Health Benefits	68,816,185	68,816,185	28,252,413	68,816,185	0
Workers Comp	10,508,446	10,508,446	0	10,508,446	0
Other Personnel Services	12,666,100	12,644,950	5,623,757	13,064,840	419,890
Total Personnel Services <sup>1</sup>	997,132,323	996,184,662	440,368,949	986,407,318	(9,777,344)
Supplies <sup>2</sup>	77,884,269	77,950,378	30,957,623	80,798,030	2,847,651
Contractual Services <sup>3</sup>	366,535,382	367,860,184	125,392,938	371,642,163	3,781,981
Capital Outlay <sup>4</sup>	13,617,618	13,724,618	2,515,974	15,477,631	1,753,013
Reimbursements <sup>5</sup>	(89,203,318)	(89,118,436)	(13,034,729)	(90,399,195)	(1,280,759)
Total Expenditures	\$1,365,966,274	\$1,366,601,406	\$586,200,755	\$1,363,925,947	(\$2,675,458)

**VARIANCE NOTES**

**1 Personnel Services.** Current YE civilian pay forecast is \$9,373,000 below budget primarily due to civilian vacancy savings that fully offset the \$2,077,000 overrun in civilian overtime. Uniform overtime YE forecast assumes \$6,208,000 anticipated use of overtime for the Dallas Police Department and \$11,000 in projected savings for Dallas Fire-Rescue, fully offset by \$7,480,000 in uniform salary savings from vacant positions. Uniform pension YE forecast equals budget and includes the \$156,819,000 contribution required to fund the police and fire pension as enacted by the Texas State Legislature through House Bill 3158, and additional funding for supplemental pension.

**2 Supplies.** Current YE forecast is \$2,848,000 above budget primarily due to higher than budgeted Park and Recreation gas and water expenses to be offset by additional revenue, greater than budgeted Office of Cultural Affairs gas and furniture expenses, and greater than anticipated usage of medical-surgical supplies by Dallas Animal Services.

**3 Contractual Services.** Contractual Services are \$3,781,000 over budget due to the use of temporary help and day labor expenses in various departments, offset by salary savings, increased contractual costs as a result of higher Safelight revenues, and equipment upgrades and maintenance in DFR.

**4 Capital Outlay.** Current YE forecast is \$1,753,000 over budget primarily due to the unbudgeted replacement of five ambulances as a result of wrecks.

**5 Reimbursements.** General Fund reimbursements reflects contributions from various agencies, including federal and state funds, internal service fund departments, and enterprise fund departments. Current YE forecasts are \$1,280,000 greater than budget.

## Financial Forecast Report

**GENERAL FUND EXPENDITURES**

Expenditure By Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Building Services <sup>1</sup>	\$22,729,907	\$22,729,907	\$11,100,220	\$22,905,203	\$175,296
City Attorney's Office	18,348,876	18,348,876	7,952,520	18,348,876	0
City Auditor's Office	3,367,314	3,367,314	1,313,579	3,338,295	(29,019)
City Controller's Office <sup>2</sup>	6,768,899	6,768,899	3,537,568	6,836,571	67,672
Independent Audit	917,892	917,892	0	917,892	0
City Manager's Office <sup>3</sup>	2,787,305	2,787,305	1,234,688	2,809,412	22,107
City Secretary <sup>4</sup>	4,350,544	4,505,676	2,113,823	4,492,219	(13,457)
Civil Service <sup>5</sup>	3,241,621	3,241,621	1,374,291	3,303,012	61,391
Code Compliance	31,635,395	31,635,395	12,621,735	30,669,725	(965,670)
Court Services <sup>6</sup>	23,314,074	23,314,074	9,083,647	22,637,311	(676,763)
Jail Contract	8,908,016	8,908,016	3,711,673	8,908,016	0
Dallas Animal Services	14,878,667	14,878,667	7,047,385	14,768,236	(110,431)
Dallas Fire-Rescue	294,483,209	294,483,209	127,782,440	294,348,638	(134,571)
Dallas Police Department <sup>7</sup>	486,752,691	486,752,691	211,039,406	486,752,691	0
Housing and Neighborhood Services	4,213,724	4,213,724	1,037,502	4,124,019	(89,705)
Human Resources	7,005,071	7,005,071	3,205,902	6,900,647	(104,424)
Judiciary <sup>8</sup>	3,446,356	3,446,356	1,679,579	3,469,117	22,761
Library <sup>9</sup>	34,138,717	34,138,717	14,890,202	33,920,803	(217,914)
Office of Management Services					
311 Customer Service <sup>10</sup>	4,495,891	4,495,891	2,924,608	4,686,440	190,549
Council Agenda Office <sup>11</sup>	219,414	219,414	104,149	219,819	405
Office of Equity and Human Rights	998,436	998,436	355,303	977,534	(20,902)
Office of Innovation <sup>12</sup>	603,668	603,668	125,568	477,502	(126,166)
Office of Strategic Partnerships <sup>13</sup>	1,053,433	1,053,433	447,500	993,500	(59,933)
Office of Business Diversity	894,165	894,165	383,591	885,267	(8,898)
Office of Community Care	5,375,877	5,375,877	2,428,691	5,375,877	0
Office of Emergency Management	877,113	877,113	228,359	877,113	0
Office of Environmental Quality	2,734,360	2,734,360	2,245,815	2,734,360	0
Office of Homeless Solutions <sup>14</sup>	11,546,393	11,546,393	7,176,518	11,695,897	149,504
Public Affairs and Outreach <sup>15</sup>	2,098,745	2,098,745	653,055	1,790,994	(307,752)
Welcoming Communities	623,124	623,124	212,740	621,190	(1,934)
Mayor and City Council	4,989,530	4,989,530	2,181,681	4,989,530	0
Non-Departmental <sup>16</sup>	92,727,295	92,727,295	14,278,799	92,482,994	(244,301)
Office of Budget	3,796,050	3,796,050	1,599,658	3,645,343	(150,707)
Office of Cultural Affairs <sup>17</sup>	19,973,188	20,453,188	14,816,581	20,453,188	0
Office of Economic Development	4,972,909	4,972,909	2,689,793	4,972,316	(593)
Park and Recreation <sup>18</sup>	98,542,371	98,542,371	47,555,742	98,542,371	(0)
Planning and Urban Design <sup>19</sup>	3,171,871	3,171,871	1,300,350	2,833,264	(338,607)
Procurement Services <sup>20</sup>	2,443,038	2,443,038	1,223,199	2,562,609	119,571
Public Works	75,856,653	75,856,653	40,795,886	75,200,203	(656,450)
Sustainable Development	2,194,525	2,194,525	1,477,693	2,194,525	0
Transportation <sup>21</sup>	47,219,419	47,219,419	20,269,317	47,992,903	773,484
<b>Total Departments</b>	<b>\$1,358,695,746</b>	<b>\$1,359,330,878</b>	<b>\$586,200,755</b>	<b>\$1,356,655,422</b>	<b>(\$2,675,458)</b>
Liability/Claim Fund Transfer	2,751,145	2,751,145	0	2,751,145	0
Contingency Reserve	2,319,383	2,319,383	0	2,319,383	0
Salary and Benefit Reserve	2,200,000	2,200,000	0	2,200,000	0
<b>Total Expenditures</b>	<b>\$1,365,966,274</b>	<b>\$1,366,601,406</b>	<b>\$586,200,755</b>	<b>\$1,363,925,950</b>	<b>(\$2,675,458)</b>

## VARIANCE NOTES

General Fund variance notes are provided below for departments with YE forecast variances of +/- five percent, amended budgets, or YE forecasts projected to exceed budget.

**1 Building Services.** Expenditures are forecast to be \$175,000 over budget primarily due to repairs to facilities in the Arts and Central districts, City Hall, Martin Weiss Recreation Center, and Thanksgiving Square, as well as increased usage of pest control, dumpster rentals, and landscaping activities at City Hall.

**2 City Controller's Office.\*** Expenditures are forecast to be \$67,000 over budget due to unbudgeted vacation/sick termination payouts for two long-time employees, which may be offset by Salary and Benefit Reserve funds; Certified Accounts Payable Professional training and membership dues; and technology upgrades, which may be offset by savings in other departments.

**3 City Manager's Office.** Expenditures are forecast to be \$22,000 over budget due to equity-based salary adjustments and civilian merit increases, which may be offset by savings in other departments or Salary and Benefit Reserve funds.

**4 City Secretary.** The City Secretary's budget was increased by \$155,000 on November 14, 2018, by resolution #18-1641 for the District 4 runoff election.

**5 Civil Service.\*** Expenditures are forecast to be \$61,000 over budget due to the installation of a new secure card key entry system, computer equipment for DPD and DFR testing, and updates to the Civil Service board room.

**6 Court Services.\***

**7 Dallas Police Department.\***

**8 Judiciary.** Expenditures are forecast to be \$23,000 over budget due to increased overtime needed to staff the Downtown Night Court, Downtown Community Court, PDI Docket, and Drug Court.

**9 Library.\***

**10 311 Customer Service.\*** Expenditures are forecast to be \$191,000 over budget due to unbudgeted vacant/sick termination payouts for one long-time employee, an office reconfiguration, and use of temporary employees.

**11 Council Agenda Office.** Expenditures are forecast to be \$405 over budget due to increased IT costs, which may be offset by savings in other Management Services divisions.

**12 Office of Innovation.** Expenditures are forecast to be \$126,000 under budget primarily due to vacancies.

**13 Office of Strategic Partnerships.** Expenditures are forecast to be \$60,000 under budget due to two vacancies.

**14 Office of Homeless Solutions.\*** Expenditures are forecast to be \$149,000 over budget, primarily due to temporary staff hired to implement the Continuum of Care.

**15 Public Affairs and Outreach.\*** Expenditures are forecast to be \$307,000 under budget due to hiring delays for vacant positions and lower costs associated with off-site City Council meetings.

**16 Non-Departmental.\***

**17 Office of Cultural Affairs.** The Office of Cultural Affairs' budget was increased by \$480,000 on February 13, 2019, by resolution #19-0296 for the disassembly, removal, and transfer to storage of the Confederate monument in Pioneer Cemetery.

## VARIANCE NOTES

### **18 Park and Recreation.\***

**19 Planning and Urban Design.** Expenditures are forecast to be \$339,000 under budget due to salary savings from nine vacant positions, with a plan underway to fill the vacancies.

**20 Procurement Services.** Expenditures are forecast to be \$119,000 over budget due to unbudgeted vacation/sick termination payouts for three long-time employees, which may be offset by Salary and Benefit Reserve funds.

**21 Transportation.** Expenditures are forecast to be \$773,000 over budget primarily due to increased Safelight program payments to the state, offset by increased revenue, as well as monthly traffic signal modem charges and an unplanned traffic signal upgrade.

\*Budget adjustments approved by City Council on April 19, 2019, will be reflected in next month's BAR.

## Financial Forecast Report

**ENTERPRISE FUNDS**

Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
<b>AVIATION<sup>1</sup></b>					
Beginning Fund Balance	\$14,216,560	\$14,216,560		\$5,570,308	(\$8,646,252)
Total Revenues	144,132,819	144,132,819	66,831,207	154,991,421	10,858,602
Total Expenditures	144,132,819	144,132,819	54,019,265	154,991,422	10,858,603
Ending Fund Balance	\$14,216,560	\$14,216,560		\$5,570,307	(\$8,646,253)

**CONVENTION AND EVENT SERVICES<sup>2</sup>**

Beginning Fund Balance	\$33,234,399	\$33,234,399		\$39,186,345	\$5,951,946
Total Revenues	108,647,915	108,647,915	45,050,945	110,064,831	1,416,916
Total Expenditures	108,647,915	108,647,915	29,791,282	110,064,831	1,416,916
Ending Fund Balance	\$33,234,399	\$33,234,399		\$39,186,345	\$5,951,946

**MUNICIPAL RADIO**

Beginning Fund Balance	\$1,205,492	\$1,205,492		\$1,055,872	(\$149,620)
Total Revenues	2,178,813	2,178,813	1,012,529	1,999,653	(179,160)
Total Expenditures	2,076,728	2,076,728	1,077,588	2,076,296	(432)
Ending Fund Balance	\$1,307,577	\$1,307,577		\$979,229	(\$328,348)

Note: FY 2018-19 budget reflects revenue in excess of expenses.

**SANITATION SERVICES<sup>3</sup>**

Beginning Fund Balance	\$29,641,449	\$29,641,449		\$24,416,494	(\$5,224,955)
Total Revenues	112,653,465	112,653,465	60,863,535	115,341,712	2,688,247
Total Expenditures	112,653,465	112,803,726	38,301,775	114,157,567	1,353,841
Ending Fund Balance	\$29,641,449	\$29,491,188		\$25,600,639	(\$3,890,549)

**STORM DRAINAGE MANAGEMENT- DALLAS WATER UTILITIES**

Beginning Fund Balance	\$7,928,950	\$7,928,950		\$12,692,716	\$4,763,766
Total Revenues	58,436,837	58,436,837	29,592,740	58,465,982	29,145
Total Expenditures	58,436,837	58,436,837	27,538,413	58,436,837	0
Ending Fund Balance	\$7,928,950	\$7,928,950		\$12,721,860	\$4,792,910

**SUSTAINABLE DEVELOPMENT AND CONSTRUCTION**

Beginning Fund Balance	\$43,833,830	\$43,833,830		\$47,568,451	\$3,734,621
Total Revenues	33,143,848	33,143,848	17,610,312	33,145,265	1,417
Total Expenditures	34,571,119	34,571,119	14,919,450	34,571,119	0
Ending Fund Balance	\$42,406,559	\$42,406,559		\$46,142,597	\$3,736,038

Note: FY 2018-19 budget reflects planned use of fund balance.

**WATER UTILITIES<sup>4</sup>**

Beginning Fund Balance	\$118,325,578	\$118,325,578		\$145,368,915	\$27,043,337
Total Revenues	665,005,577	665,005,577	275,858,885	636,288,367	(28,717,210)
Total Expenditures	665,491,395	665,491,394	265,698,774	643,067,542	(22,423,852)
Ending Fund Balance	\$117,839,760	\$117,839,761		\$138,589,740	\$20,749,979

Note: FY 2018-19 budget reflects planned use of fund balance.

## Financial Forecast Report

**INTERNAL SERVICE FUNDS**

Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
<b>INFORMATION TECHNOLOGY</b>					
Beginning Fund Balance	\$10,887,991	\$10,887,991		\$11,210,496	\$322,505
Total Revenues	69,434,657	69,434,657	26,723,854	69,448,236	13,579
Total Expenditures	77,011,403	77,011,403	48,675,714	76,445,941	(565,462)
Ending Fund Balance	\$3,311,245	\$3,311,245		\$4,212,790	\$901,545
Note: FY 2018-19 budget reflects planned use of fund balance.					
<b>RADIO SERVICES</b>					
Beginning Fund Balance	\$2,800,576	\$2,800,576		\$3,086,522	\$285,946
Total Revenues	5,917,772	5,917,772	1,695,738	5,900,868	(16,904)
Total Expenditures	8,651,413	8,651,413	3,917,270	8,621,258	(30,155)
Ending Fund Balance	\$66,935	\$66,935		\$366,132	\$299,197
Note: FY 2018-19 budget reflects planned use of fund balance.					
<b>EQUIPMENT AND FLEET MANAGEMENT<sup>5</sup></b>					
Beginning Fund Balance	\$7,254,000	\$7,254,000		\$6,862,856	(\$391,144)
Total Revenues	54,412,850	54,412,850	148,425	54,414,430	1,580
Total Expenditures	54,912,850	54,912,850	22,587,401	56,162,517	1,249,667
Ending Fund Balance	\$6,754,000	\$6,754,000		\$5,114,769	(\$1,639,231)
Note: FY 2018-19 budget reflects planned use of fund balance.					
<b>EXPRESS BUSINESS CENTER</b>					
Beginning Fund Balance	\$2,682,143	\$2,682,143		\$2,793,339	\$111,196
Total Revenues	2,593,790	2,593,790	1,307,726	2,593,790	0
Total Expenditures	2,137,496	2,137,496	753,576	2,136,898	(598)
Ending Fund Balance	\$3,138,437	\$3,138,437		\$3,250,231	\$111,794
Note: FY 2018-19 budget reflects revenue in excess of expenses.					

## Financial Forecast Report

**OTHER FUNDS**

Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
<b>9-1-1 SYSTEM OPERATIONS</b>					
Beginning Fund Balance	\$7,852,062	\$7,852,062		\$10,243,774	\$2,391,712
Total Revenues	12,018,812	12,018,812	5,848,585	12,300,359	281,547
Total Expenditures	15,176,553	15,176,553	5,126,533	15,130,100	(46,453)
Ending Fund Balance	\$4,694,321	\$4,694,321		\$7,414,033	\$2,719,712

Note: FY 2018-19 budget reflects planned use of fund balance.

**DEBT SERVICE**

Beginning Fund Balance	\$32,549,163	\$32,549,163		\$28,898,633	(\$3,650,530)
Total Revenues	289,189,656	289,189,656	266,948,762	290,332,436	1,142,780
Total Expenditures	296,200,044	296,200,044	145,278,350	296,200,044	0
Ending Fund Balance	\$25,538,775	\$25,538,775		\$23,031,024	(\$2,507,751)

Note: FY 2018-19 budget reflects planned use of fund balance.

**EMPLOYEE BENEFITS**

City Contributions	\$94,862,835	\$94,862,835	41,201,182	\$94,862,835	\$0
Employee Contributions	36,126,244	36,126,244	21,796,878	36,126,244	0
Retiree	31,963,243	31,963,243	14,389,775	31,963,243	0
Other	0	0	197,891	197,891	197,891
Total Revenues	162,952,322	162,952,322	77,585,726	163,150,213	197,891
Total Expenditures	\$160,083,133	\$160,083,133	\$54,887,508	\$160,083,133	\$0

Note: FY 2018-19 budget reflects revenue in excess of expenses. FY 2018-19 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred by not reported (IBNR) claims.

**RISK MANAGEMENT**

Worker's Compensation	\$13,701,708	\$13,701,708	\$1,161,441	\$13,701,708	\$0
Third Party Liability	10,227,315	10,227,315	127,796	10,227,315	0
Purchased Insurance	3,029,284	3,029,284	678	3,029,284	0
Interest and Other	749,900	749,900	934	749,900	0
Total Revenues	27,708,207	27,708,207	1,289,915	27,708,207	0
Total Expenditures	\$34,166,607	\$34,166,607	\$7,173,308	\$34,166,607	\$0

Note: FY 2018-19 budget reflects planned use of fund balance. FY 2018-19 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects the total current liability for Risk Management (Worker's Compensation/Liability/Property Insurance).

## VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summaries include the beginning fund balance with the YE revenue and expenditure forecasts. As of March 31, 2019, YE forecast beginning fund balance represents the FY 2017-18 audited ending fund balance and any additional YE savings. Variance notes are provided below for funds with a YE forecast variance of +/- five percent, YE forecast projected to exceed budget, or projected use of fund balance.

**1 Aviation.\*** Revenues and expenditures are \$10,859,00 over budget in order to accrue revenues to service a fall 2019 payment on the Series 2017 Bonds, and for the purchase of IT storage infrastructure.

**2 Convention Center.** Expenditures are forecast to be \$1,417,000 over budget due to increased food and beverage sales, fully offset by \$1,417,000 in increased revenues.

**3 Sanitation Services.\*** Expenditures are forecast to be \$1,354,000 over budget due to increased equipment maintenance charges from aging fleet, increased landfill operating expenses associated with higher than normal rain in the fall, increased use of temporary help, and infrastructure repair at various sanitation facilities, which may be offset by additional forecasted revenues of \$2,688,000 from stronger than anticipated landfill cash customers and residential revenues.

**4 Water Utilities.** Revenues are forecast to be \$28,717,000 under budget due to wholesale customers receiving a credit to revenues as a result of the Sabine River Authority (SRA) settlement, which will be offset by fund balance, and decreased consumption. Expenditures are projected to be \$22,424,000 below budget primarily due to a decreased capital construction transfer to offset the consumption-related revenue reduction.

**5 Equipment and Fleet Management.\*** Expenditures are forecast to be \$1,250,000 over budget due to overtime to support Sanitation fleet maintenance, cost increases for automotive parts, non-emergency wrecker price agreement, and anticipated new costs associated with the use of emergency wrecker services. Billing has been delayed pending a billing program update required by the change in department acronym.

\*Budget adjustments approved by City Council on April 19, 2019, will be reflected in next month's BAR.

## Financial Forecast Report

# 2017 GENERAL OBLIGATION BOND PROGRAM

Proposition	Authorized by Voters	Inception-To-Date Appropriations	Inception-To-Date Expenditures	Current Encumbered	Unencumbered
Street and Transportation [A]	\$533,981,000	\$124,513,232	\$32,435,697	\$22,709,286	\$69,368,248
Park and Recreation Facilities [B]	261,807,000	154,644,167	26,487,921	29,687,842	98,468,405
Fair Park Improvements [C]	50,000,000	27,570,000	978,647	3,237,207	23,354,146
Flood Control [D]	48,750,000	19,574,800	167,839	1,128,338	18,278,623
Library [E]	15,589,000	14,089,000	286,858	919,183	12,882,960
Cultural Affairs [F]	14,235,000	12,745,000	29,655	1,524,919	11,190,426
Public Safety [G]	32,081,000	31,016,000	2,701,386	1,071,846	27,242,768
City Facilities [H]	18,157,000	14,347,000	1,152	3,228,552	11,117,297
Economic Development [I]	55,400,000	14,462,200	1,304,463	11,012,200	2,145,537
Homeless Assistance [J]	20,000,000	2,000,000	-	-	2,000,000
<b>Total</b>	<b>\$1,050,000,000</b>	<b>\$414,961,399</b>	<b>\$64,393,617</b>	<b>\$74,519,372</b>	<b>\$276,048,410</b>

Note: The table above reflects expenditures and encumbrances recorded in the City's financial system of record. It does not include commitments that have not yet been recorded in the system, such as amounts recently approved by City Council.

# DALLAS 365

The Dallas 365 initiative aligns 35 key performance measures to our six strategic priorities. The department responsible for each measure is noted at the end of the measure's description, and last year's performance is included, if available. Several measures are new for FY 2018-19, so actual performance data is not available (N/A) for last year.

An annual target has been established for each measure. The annual target is then broken down into a year-to-date (YTD) target, which represents October 1 through the current reporting period. Each month, we will compare the YTD target with the YTD actual performance reported by the responsible department and assign a YTD status based on how well actual performance compares to the target.

Measures are designated "on target" (green) if actual YTD performance is within 5 percent of the YTD target. Measures with actual YTD performance within 6 to 20 percent of the YTD target are designated in "caution" (yellow) status. If actual YTD performance is more than 20 percent from the YTD target, the measure is designated as "needs improvement" (red). For most measures, high values indicate positive performance, but for a few measures, the reverse is true. These measures are noted with an asterisk and include measures numbered 6, 8, 13 and 22. Variance notes are provided for each measure that is not On Track.



On Track



Caution



Needs Improvement

#	Measure	FY 2017-18 Actual	FY 2018-19 Target	YTD Target	YTD Actual	YTD Status
<b>Public Safety</b>						
1	Percentage of responses to structure fires within 5 minutes and 20 seconds of dispatch (Fire-Rescue)	86.11%	90.00%	90.00%	83.13%	!
2	Percentage of EMS responses within five minutes (Fire-Rescue)	N/A	90.00%	90.00%	50.03%	✗
3	Percentage of responses to Priority 1 calls within eight minutes (Police)	N/A	60.00%	60.00%	51.54%	!
4	Percentage of 911 calls answered within 10 seconds (Police)	94.21%	91.00%	91.00%	95.31%	✓
5	Homicide clearance rate (Police)	78.35%	60.00%	60.00%	92.68%	✓
6	Violent crime rate (per 100,000 residents) (Police)*	N/A	767	383.50	324.92	✓
<b>Mobility Solutions, Infrastructure, &amp; Sustainability</b>						
7	Percentage of annual bond appropriation committed (Bond Program)	N/A	90.00%	45.00%	41.00%	✓ !
8	Average response time to emergency sewer calls (in minutes) (Dallas Water Utilities)*	58.68	60	60	59.47	✓
9	Percentage compliance with state and federal standards and regulations for drinking water (Dallas Water Utilities)	100.00%	100.00%	100.00%	100.00%	✓
10	Number of street lane miles resurfaced (Public Works)	208.34	197	98.50	43.47	✗
11	Percentage of potholes repaired within five days (Public Works)	N/A	98.00%	98.00%	98.05%	✓
12	Percentage of streets with a Pavement Condition Index rating of C or better (Public Works)	N/A	77.40%	77.40%	77.40%	✓

# DALLAS 365

#	Measure	FY 2017-18 Actual	FY 2018-19 Target	YTD Target	YTD Actual	YTD Status
<b>Mobility Solutions (cont.)</b>						
13	Missed refuse and recycling collections per 10,000 collection points/service opportunities (Sanitation)*	12.83	11	11	12.10	⚠
14	Residential recycling diversion rate (Sanitation)	19.29%	19.00%	19.00%	17.95%	⚠
15	Percentage of surveyed street lights on major streets that are working (Transportation)	94.58%	96.00%	96.00%	95.00%	✅
<b>Economic &amp; Neighborhood Vitality</b>						
16	Number of jobs created or retained through written commitment (Economic Development)	N/A	5,000	2,500	1,890	❌
17	Number of Dallas Homebuyer Assistance Program (DHAP) loans provided (Housing)	N/A	81	41	11	❌
18	Total number of new housing units produced (sale and rental combined) (Housing)	595	1,500	3,325	73	❌
19	Percentage of single-family permits reviewed in three days (Sustainable Development)	80.00%	85.00%	85.00%	85.17%	✅
20	Percentage of inspections performed same day as requested (Sustainable Development)	97.49%	98.00%	98.00%	96.72%	✅
<b>Human &amp; Social Needs</b>						
21	Number of seniors served (Community Care)	1,833	4,500	2,250	3,835	✅
22	Number of days to resolve a homeless encampment site from date of service request to resolution (Homeless Solutions)*	16.31	21	21	16.60	✅
23	Percentage of unduplicated persons placed in permanent housing who remain housed after six months (Homeless Solutions)	N/A	85.00%	85.00%	90.24%	✅
<b>Quality of Life</b>						
24	Number of single-family rental properties inspected (initial inspections and reinspections) (Code Compliance)	12,099	10,000	5,000	1,704	❌
25	Percentage of 311 Code service requests responded to within estimated response time (Code Compliance)	94.58%	96.00%	96.00%	86.50%	⚠
26	Percentage of food establishments inspected on schedule (Code Compliance)	N/A	95.00%	95.00%	95.00%	✅
27	Live release rate (Animal Services)	80.30%	81.00%	81.00%	85.93%	✅
28	Percentage increase in field impoundments over prior fiscal year (Animal Services)	17.32%	18.00%	18.00%	22.65%	✅
29	Number of library visits in person, online, and for programs (Library)	9,352,274	7,420,000	3,710,000	4,941,917	✅
30	Number of participants in adult education courses (ELL, GED, basic education, and citizenship) (Library)	N/A	25,000	12,500	14,194	✅
31	Percentage of cultural services contracts awarded to artists or small arts organizations (budgets less than \$100,000) (Cultural Affairs)	N/A	50.00%	50.00%	59.70%	✅
32	Percentage of residents within ½ mile of a park (Park and Recreation)	60.00%	63.00%	63.00%	61.00%	✅

# DALLAS 365

#	Measure	FY 2017-18 Actual	FY 2018-19 Target	YTD Target	YTD Actual	YTD Status
<b>Government Performance &amp; Financial Management</b>						
33	Percentage of 311 calls answered within 90 seconds (311)	56.46%	70.00%	70.00%	55.15%	✘
34	Percentage of invoices paid within 30 days (City Controller)	95.51%	94.00%	94.00%	98.79%	✔
35	Percentage of dollars spent with local businesses (Business Diversity)	45.41%	50.00%	50.00%	41.62%	!

## VARIANCE NOTES

**#1.** Due to continued focus on driving safety, high numbers of new inexperienced firefighters, and an increase in heavy apparatus assignments to all “Potential Scenes of Violence.” These apparatus must stay on location until police arrival, which affects response times for other fire emergencies nearby.

**#2.** Due to high EMS service demand/call volume and finite emergency resources. Units are often deployed from more distant fire stations to serve areas experiencing simultaneous 911 calls for EMS service. DFR is exploring how the tiered EMS software (Priority Dispatch) can help reduce response times over the next few months.

**#3.** Due to lack of staff, although times have improved. An emphasis on recruiting, changes to Civil Service rules, and increased starting pay should lead to increased staffing and ultimately improved response times.

**#7.** Due to fluctuations in project award schedules. The Bond Program Office is initiating weekly meetings with client department directors, and design and construction awards are increasing, resulting in higher commitments, which are expected to reach \$82M during the third quarter.

**#10.** Due to seasonality of resurfacing efforts. Work peaks from April to August.

**#13.** Due to holidays. Schedule changes from November to January drive missed calls up slightly. This is an annual peak and falls back below target in the spring. Missed collections rose slightly to 11.09 per 10,000 in March, but dropped back to 8.78 in April, and performance should continue to improve.

**#14.** Due to seasonality. As temperatures rise throughout spring and summer, recycling diversion rates rise as well.

**#16.** Job creation through economic development incentives does not occur in a linear fashion. With a robust pipeline of prospects, the City will surpass the annual job creation goal.

**#17.** FY 2017-18 program changes and updated homebuyer qualification guidelines will result in larger loans, but the process is more time-consuming, resulting in fewer loans.

**#18.** The target for this measure was adjusted to 1,500 in consultation with Housing and Neighborhood Revitalization. The 2018 Notice of Funds Available (NOFA) is expected to produce 800 units, and the single-family NOFA to be issued in 2019 is expected to produce an additional 200. Other units may be added through the Home Repair Program, the incentive zoning ordinance (if approved), and/or tax credit projects that do not require City funding.

**#24.** Due to system conversion, which interrupted service request data retrieval. Inspections increased by 47% (month-over-month) in April, and performance should continue to improve.

**#25.** Due to system conversion, which interrupted service request data retrieval. Performance has improved since January, reaching 88% in March, and should continue to increase.

**#33.** Due to increased attrition/reduction in agents trained to process calls, but performance continues to improve, increasing to 80.6% in March.

**#35.** Due to two water/wastewater projects awarded to non-local vendors Southland Contracting (\$22.44 million) and Oscar Renda Contracting (\$15.81 million).

# BUDGET INITIATIVE TRACKER

The Budget Initiative Tracker reports on 44 activities included in the FY 2018-19 and FY 2019-20 biennial budget. For each initiative included in this report, you will find the initiative number, title, description and status. At the end of each description, the responsible department is listed. Each month, the responsible department provides a current status for the initiative and indicates whether the initiative is “complete” (blue circle), “on track” (green check mark), “caution” (yellow exclamation mark), or “canceled” (red x).



Complete



On Track



Caution



Canceled

The Office of Environmental Quality and Sustainability (OEQS) kicked off the Dallas Climate Action Plan process during EarthX, the world's largest environmental event, hosted in Dallas each spring. Starting with this kickoff meeting, OEQS is on track for adoption of an equitable, effective, and comprehensive environmental and climate action plan before the 50th anniversary of Earth Day in April 2020.



## Budget Initiative Tracker

**PUBLIC SAFETY****1 Police & Fire Uniform Pay**

**INITIATIVE** Increasing pay for police officers and firefighters (1) effective in October 2018 in accordance with the three-year Meet and Confer agreement, which calls for double-step pay increases of approximately 10 percent, adding a 2 percent top step, and increasing starting pay to \$51,688, and (2) effective in January 2019 in accordance with the City Council budget amendment to increase pay by three percent across the board, to a minimum of \$60,000. (Police and Fire-Rescue)

**STATUS** Uniform pay increases based on the current Meet and Confer agreement went into effect October 2018. On December 23, 2018, City Council authorized the City Manager to enter an Amended Meet and Confer agreement for additional uniform pay increases effective in January 2019.

**2 Number of Police Officers**

**INITIATIVE** Recruiting new police officers to bring the number of sworn employees at the end of FY 2018-19 to 3,050. (Police)

**STATUS** DPD anticipates hiring 255 officers this fiscal year with attrition of 249, for a total of 3,034. This year-end forecast is less than the goal of 3,050 officers because DPD ended FY 2017-18 with fewer officers than anticipated (3,028).

**3 Number of Firefighters**

**INITIATIVE** Recruiting new firefighters to bring the number of sworn employees at the end of FY 2018-19 to 1,942. (Fire-Rescue)

**STATUS** Dallas Fire-Rescue anticipates 65 recruits will enter the field in June and plans to delay hiring the spring 2019 class until July. DFR anticipates FY 2018-19 attrition to be 106 members (versus the previous forecast of 126), meaning DFR will end the year with 1,963 members instead of 1,942.

**4 Police and Fire Uniform Pension**

**INITIATIVE** Contributing \$156.8 million, up \$6.1 million from the current year, to the Dallas Police and Fire Pension System to ensure a secure retirement for our first responders. (Police and Fire-Rescue)

**STATUS** The City pension contributions are being made in compliance with HB 3158 approved by the state legislature in 2017.

**5 Security of City Facilities**

**INITIATIVE** Consolidating security for City facilities into Court and Detention Services and conducting a comprehensive risk assessment to identify future security needs for City facilities and programs. (Court and Detention Services)

**STATUS** Staff conducted proposal presentations and evaluations on March 20 for a consultant to develop a Citywide security standard and evaluate security services. The contract is tentatively scheduled for City Council consideration on May 8.

**6 School Crossing Guards**

**INITIATIVE** Investing more than \$5 million in a school crossing guard program to protect Dallas students. (Court and Detention Services)

**STATUS** All City Management Services, Inc. (ACMS) has been providing crossing guard services to about 150 elementary schools within Dallas city limits since the beginning of the school year. Additionally, City staff and ACMS plan to meet with participating schools and PTA chairs in April and May to identify obstacles and potential solutions for recruiting volunteer school crossing guards.

**7 P-25 Radio System**

**INITIATIVE** Expanding radio coverage area, improving system reliability, lowering operating costs, and improving interoperability across City departments and with other public safety agencies through implementation of the new P-25 radio system. (Communication and Information Services)

**STATUS** The project team is analyzing various radio towers impacted by this project to ensure all towers meet standards. The team is also putting mitigation plans in place in case alternative design options need to be explored.

**8 Firefighter Safety**

**INITIATIVE** Protecting the safety of DFR officers by replacing all self-contained breathing apparatus (SCBA) in phases and providing a second set of personal protective equipment (PPE) to allow for cleaning equipment between fires. (Fire-Rescue)

**STATUS** Dallas Fire-Rescue has finished researching the safety of the material used to manufacture PPEs and is submitting specifications to Procurement Services for the second set of PPEs and SCBA replacement. Staff expects to advertise and close the solicitation in April.

**9 911 Operations Center**

**INITIATIVE** Furthering the City's investment in the 911 emergency system with additional technology and expanded backup capacity. (Communication and Information Services)

**STATUS** DPD and CIS launched the Text-to-911 system on March 26. CIS has also ordered equipment for the backup CAD system, and the vendor is finalizing the quote for the Dual Production Public Safety Answering Point (PSAP) solution for the backup site.

## Budget Initiative Tracker

# MOBILITY SOLUTIONS, INFRASTRUCTURE, & SUSTAINABILITY

## 10 Street Conditions

**INITIATIVE** Investing more than \$125 million of bonds and cash to improve the driving condition of city streets. (Public Works)

**STATUS** City Council awarded a \$15.14 million construction contract for street preservation services (slurry seal and microsurfacing) on April 10. All funds for FY 2018-19 have now been committed. To date, Public Works has completed 230 maintenance and improvement projects, or 129.2 lane miles out of 820 budgeted for this fiscal year.

## 11 Intersection Safety

**INITIATIVE** Leveraging \$10 million of federal Highway Safety Improvement Program (HSIP) funds with approximately \$2 million in City funds to improve safety at high-crash locations. (Transportation)

**STATUS** Staff is currently working on scheduling design and with TxDOT to complete the Local Project Advanced Funding Agreements (LPAFA) wherein our 10% match is paid. One LPAFA is scheduled for City Council consideration in June, and staff anticipates submitting the remaining six in September.

## 12 Alley Access

**INITIATIVE** Creating a \$1.8 million cross-departmental pilot program to improve alley access for residents and utilities. (Sanitation, Water Utilities, and Public Works)

**STATUS** City Council awarded a contract for alley vegetation abatement on January 23. Public Works and Sanitation are prioritizing vegetation clearance because the green season started in late February, and this work began in April.

## 13 Bike Lanes

**INITIATIVE** Expanding bike lanes and improving mobility by increasing the current \$500,000 budget by \$500,000 per year for each of the next three years to achieve a \$2 million per year investment starting in FY 2020-21. (Transportation)

**STATUS** Transportation has awarded or is set to award \$0.9 million for projects this year, including 1.1 miles of bike lanes around Farmers Market and Deep Ellum, 0.62 miles in conjunction with Public Works' project on Sylvan Ave., 0.3 miles in conjunction with construction of Highland Rd., and purchase of bike racks for high-traffic areas.

## 14 OneWater Consolidation

**INITIATIVE** Combining water, wastewater, and stormwater into one utility to provide comprehensive management of Dallas' valuable water resources. (Water Utilities)

**STATUS** DWU is working with the Office of Budget and City Controller's Office on next steps for assigning fixed assets to the appropriate utility service. Consolidation and relocation of staff is expected to be complete by August.

## 15 Environmental Plan

**INITIATIVE** Completing an environmental plan that includes solutions to address climate change by using \$500,000 available revenue received from the previous plastic bag ordinance and fee. (Office of Environmental Quality)

**STATUS** Staff hosted the Dallas Climate Action Plan kickoff meeting on April 27, and a series of community engagement meetings are planned April 29 through May 9. Staff anticipates briefing City Council in June on initial data collection, analysis, and community outreach efforts.

## 16 Traffic Signals

**INITIATIVE** Repairing traffic signals by 1) responding to traffic signal knockdowns and underground cable repairs and 2) replacing broken vehicle detectors at 40 traffic signals across the city. (Transportation)

**STATUS** This initiative is funded in FY 2019-20, the second year of the biennial.

## 17 City Facility Major Maintenance

**INITIATIVE** Repairing City-owned facilities through a \$7 million deferred maintenance program. (Building Services)

**STATUS** Of the \$6 million allocated for general City facilities, projects estimated at \$4.9 million are in progress. Projects initiated since last month include repairs and electrical upgrades to the Marshal's Detox Center, auditorium lighting and ADA-compliant ramps at City Hall, renovations and repairs at the MLK Jr. Complex, roof replacement at 2721 Municipal St. (SAN building), and skylight repairs at Eco Park.

The remaining \$1 million allocated for deferred maintenance is for cultural facilities: \$800,000 at City-owned facilities and \$200,000 for other cultural facilities. Projects estimated at \$600,000 are in progress, including HVAC repairs at Kalita Humphreys Theater, J. Craft Annex floor replacement, exterior painting at the Latino Cultural Center, lighting at the South Dallas Cultural Center, and interior and storefront repairs and flooring at the Oak Cliff Cultural Center.

## 18 Neighborhood Drainage

**INITIATIVE** Implementing a new stormwater program dedicated to neighborhood drainage, which will focus efforts on neighborhood outreach and preventing flooding in local streets. (Water Utilities)

**STATUS** DWU's FY 2019-20 budget proposal includes funding for personnel, equipment, and contracts for increased neighborhood drainage maintenance. In addition to reclassifying and advertising the Sr. Program Manager position, additional requisitions are being opened for the newly designated Neighborhood Drainage Division of DWU.

## Budget Initiative Tracker

**ECONOMIC & NEIGHBORHOOD VITALITY****19 Property Tax Rate**

**INITIATIVE** Reducing the property tax rate by 0.37¢, making FY 2018-19 the third consecutive year with a tax rate reduction. (Office of Budget)

**STATUS** City Council approved a 0.37¢ property tax reduction on September 18, 2018. Dallas County Tax Office distributed property tax bills and will collect revenue on behalf of the City.

**20 Housing Policy**

**INITIATIVE** Implementing the Comprehensive Housing Policy approved by City Council in May 2018 to create and preserve housing throughout the city. (Housing and Neighborhood Revitalization)

**STATUS** In December 2018, pursuant to the New Construction and Substantial Redevelopment program, City Council approved the award of \$20.3 million for three multi-family housing development projects that will produce a total of 560 affordable units. In February 2019, the Land Bank program resumed activity through the City Council-approved sale of 51 lots for affordable housing. Additionally, on April 15, staff will present a new Land Transfer program to facilitate the sale of tax-foreclosed and City-owned lots for affordable housing and other redevelopment activities. The Housing Policy Task Force committees continue to meet monthly to provide stakeholder input that informs implementation of the Comprehensive Housing Policy.

**21 Stabilization and Emerging Market Areas**

**INITIATIVE** Targeting \$1 million to historically underserved areas at risk of displacement because of changing market conditions, as well as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organizations. (Housing and Neighborhood Revitalization)

**STATUS** During the next 60 days, staff will design a title clearing education and assistance program that leverages and expands on activities already underway through DISD, Dallas Housing Authority, and other educators and partners. Through this process, staff will determine the scope of the issue, including locations of tangled titles, the underlying causes, and the estimated time and resources needed to clear them. Staff will also identify additional potential partners, as well as gaps in staffing or skills needed to effectively advise homeowners on program requirements.

**22 One-Stop Permitting**

**INITIATIVE** Offering an online one-stop shop for residents and businesses to submit construction plans to the City. (Sustainable Development and Construction)

**STATUS** Phase 2 of the Electronic Plan Review System is on track, which will allow inspectors to view and comment on electronic plans submitted online. DEV approved the configuration requirements document and the vendor is moving forward. The next part of Phase 2 will include enhanced features to improve efficiency, such as a more robust interface that will eliminate duplicate data entry.

**23 Historic Resource Survey**

**INITIATIVE** Devoting \$100,000 to conduct a historic resource survey with private partners. (Sustainable Development and Construction)

**STATUS** On January 25, the Texas Historical Commission (THC) notified staff that THC has recommended a \$45,000 award to help fund the Historic Thematic Context Assessment and Survey of Greater Downtown and Intown Dallas. Preservation Dallas and members of the former Preservation Solutions Committee have secured an additional \$5,000 grant and continue to pursue other funding.

Staff released the RFCSP for the survey in early 2019 and received two proposals; they are now working with Procurement to revise the scope based on the THC grant requirements and will request new proposals from the two candidates. Staff anticipates the bid will be submitted for City Council consideration in August, with work beginning in September.

## Budget Initiative Tracker

**HUMAN & SOCIAL NEEDS****24 Homelessness Programs** 

**INITIATIVE** Addressing homelessness holistically, including \$2.3 million for strengthening the homeless response system, providing improved supportive housing for chronically homeless seniors, leveraging innovative and collaborative “shovel-ready” projects for affordable housing units, and developing a landlord subsidized leasing program. (Office of Homeless Solutions)

**STATUS** OHS released two solicitations in January for proposals to strengthen the homeless response system and increase landlord participation in the landlord subsidized leasing program (track 3 of the Homeless Solutions Strategy). Bids were opened March 15, oral presentations have been scheduled, and proposals are currently being evaluated for final recommendations.

**25 End Panhandling Now** 

**INITIATIVE** Increasing funding for the End Panhandling Now initiative to \$415,000 and continuing public education on ways to effectively assist those in need. (Office of Community Care)

**STATUS** The City has four full-time resources dedicated to anti-panhandling initiatives. Staff is working to launch a new component of the educational campaign in May to improve program effectiveness, using traditional media outlets such as radio, billboards, and DART advertisements. Staff will also continue to implement street outreach.

**26 Citizenship Programs** 

**INITIATIVE** Committing \$175,000 to partner with nonprofit organizations to offer civil legal services and promote citizenship to immigrants. (Office of Welcoming Communities and Immigrant Affairs)

**STATUS** The City Attorney’s Office is reviewing specifications for procurement of civil legal services, and Procurement is reviewing the specifications for citizenship services.

**27 Equity** 

**INITIATIVE** Creating an Office of Equity and Human Rights (OEHR) to promote equity as one of the City’s core values and focus on fair housing. (Office of Equity and Human Rights)

**STATUS** The City’s first Equity Officer, Victor Obaseki, joined the City on April 10 and briefed the HSN committee on upcoming equity items on May 6, including an Equity Resolution, which City Council will consider for adoption on May 22.

As part of our membership in the national Government Alliance on Race and Equity (GARE) network, staff attended the annual membership conference in April, where they shared best practices and learned additional strategies for incorporating equity into the City’s policies and practices.

**28 Fresh Start Re-Entry Program** 

**INITIATIVE** Increasing funding by \$235,000 for the “Fresh Start” re-entry program to support the transition of formerly incarcerated individuals into the community. (Office of Community Care)

**STATUS** The Office of Community Care, in partnership with at least seven other departments, is hosting the first of a series of hiring events in April. Staff is working with multiple community-based organizations who work with formerly incarcerated individuals and with multiple City programs to recruit potential applicants and ensure they are trained and prepared for the event.

## Budget Initiative Tracker

## QUALITY OF LIFE

**29 Fair Park** 

**INITIATIVE** Transitioning Fair Park's daily operation from City management to Fair Park First, a nonprofit subcontracting with a private management company to expand fundraising opportunities, improve operations, and make capital improvements. (Park and Recreation)

**STATUS** Fair Park First briefed the Park Board on April 18. Since the transition in January, there have been 345 event days with 188,971 people in attendance. In addition to existing events, at least four new events are planned for the 2019 season.

**30 Dangerous Animals** 

**INITIATIVE** Allocating \$410,000 to mobilize a team in Dallas Animal Services dedicated to dealing with aggressive and dangerous animals and preemptively reducing bites. (Dallas Animal Services)

**STATUS** Dallas Animal Services (DAS) has deployed a team of four officers and a supervisor specifically focused on impounding aggressive and dangerous loose dogs in high-risk areas, with the intention of reducing potential bites. Through March 2019, DAS' collective loose dog intake is up 20% year-over-year, while loose dog bites remain flat.

**31 Neighborhood Code Representatives** 

**INITIATIVE** Adding \$650,000 for seven Neighborhood Code Representatives (NCR), further improving outreach efforts and providing more liaisons to address community issues. (Code Compliance)

**STATUS** All seven NCR positions have been filled, and staff have started working in neighborhoods to engage and educate residents and address various issues they face.

**32 Library RFID** 

**INITIATIVE** Implementing a \$2 million Radio Frequency Identification (RFID) system throughout our library system to improve security and better manage our materials and assets. (Library)

**STATUS** Panel reviews of proposals are underway, and staff anticipates submitting the contract for City Council consideration in June.

Additionally, staff began evaluating existing collection holdings in October 2018 to establish a collection redevelopment plan. This plan will help prioritize locations and collection categories for RFID tagging.

**33 Aquatic Facilities** 

**INITIATIVE** Expediting the opening of three aquatic facilities for summer 2019. (Park & Recreation)

**STATUS** The Lake Highlands North, Kidd Springs, and Tietze aquatic facilities are on schedule to open for the 2019 summer season.

**34 Park and ISD Partnerships** 

**INITIATIVE** Partnering with school districts to offer more green spaces and parks. (Park and Recreation)

**STATUS** Playground improvements at five DISD schools are on track for completion in May. The Trust for Public Land will also release updated data on the percentage of residents within a 1/2-mile (10-minute walk) of a park or green space in May. Staff anticipate an increase in this percentage because of the addition of DISD and RISD schools.

**35 WellMed Senior Programs** 

**INITIATIVE** Investing in programs for all ages by partnering with the nonprofit WellMed Charitable Foundation to open a new health and wellness center for residents age 60 and older. (Park and Recreation)

**STATUS** The WellMed Charitable Foundation Senior Activity Center at Redbird Square opened in December 2018. The center is designed to keep adults age 60 or older healthy and active at no cost to participants.

**36 Cultural Plan** 

**INITIATIVE** Adopting the Dallas Cultural Plan 2018. (Office of Cultural Affairs)

**STATUS** City Council unanimously adopted the Dallas Cultural Plan 2018 and an updated Cultural Policy on November 28, 2018. Implementation of key initiatives began immediately after adoption.

## Budget Initiative Tracker

# GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

## 37 Off-Site City Council Meetings

**INITIATIVE** Expanding opportunities for residents and Council to engage by hosting mobile City Council meetings. (Mayor and City Council)

**STATUS** The second off-site meeting took place May 8 at Kleberg-Rylie Recreation Center. The remaining off-site meeting will be August 14 at Lake Highlands North Recreation Center.

## 38 Council District Offices

**INITIATIVE** Expanding opportunities for residents and Council to engage by expanding the district office program. (Mayor and City Council)

**STATUS** The District 4 community office opened February 8 at the Beckley-Saner Recreation Center, and the District 10 community office opened April 12 at the Northeast Service Center.

## 39 Census 2020

**INITIATIVE** Encouraging participation in Census 2020, including \$75,000 for the Mayor's Complete Count Committee. (Office of Strategic Partnerships and Government Affairs)

**STATUS** OSPGA is working with the Complete Count Committee (CCC) to implement an outreach plan for Census 2020 and has hired a full-time employee to manage this effort. The CCC has met three times and developed a strategic plan. The four subcommittees—Hard to Count, Media, Fundraising, and Partnerships—are meeting regularly to implement their action items, and the first deliverables should be completed by June.

## 40 Office of Innovation

**INITIATIVE** Establishing an Office of Innovation, which will lead City staff in efforts to improve service, increase efficiency, and be more responsive to community input. (Office of Innovation)

**STATUS** The Office of Innovation is in the process of hiring the City's first Data Scientist and Service Design Strategist – both new functions for the City. The former will spearhead better analysis and use of City data, while the latter will apply design thinking and an equity lens to City programs.

## 41 ADA Compliance

**INITIATIVE** Investing \$200,000 to develop an Americans with Disabilities Act (ADA) transition plan that enhances the City's ADA compliance and addresses accessibility issues in City facilities. (Office of Equity and Human Rights)

**STATUS** OEHR identified a vendor under a state price agreement and is finalizing the scope of work with City departments. Staff anticipates submitting the contract for City Council consideration in June.

## 42 Availability & Disparity (A&D) Study

**INITIATIVE** Conducting a minority business study to inform decision makers on how the City can better support small and local businesses. (Office of Business Diversity)

**STATUS** MGT continues to review data regarding use of M/WBE firms by the City to ensure gaps are resolved prior to completing their utilization analysis. The next step is to estimate the availability of M/WBE firms in the market area, followed by a benchmark comparison and initial recommendations to conclude Phase 1. Staff anticipates Phase 2 of the study—including a workforce study and additional public engagement meetings—will begin in early fall.

## 43 Compensation Study

**INITIATIVE** Complete a comprehensive study of the City's position classification and compensation systems. (Human Resources)

**STATUS** The RFP for the compensation study closed March 28, and staff is evaluating bids.

## 44 WorkDay HR/Payroll System

**INITIATIVE** Implementing a new human resource and payroll system and evaluating an additional module for uniformed employee scheduling. (Communication and Information Services)

**STATUS** Payroll, compensation, benefits, time tracking, absence, recruiting, and talent management functionalities have been designed and configured. Data conversion from legacy systems (Lawson, Kronos, IDS, NEOGOV) is an ongoing activity as staff continues to work in those systems. The project team is working with the vendor to refine and automate the data conversion process and prepare for end-to-end testing.

The Project Governance Board is re-evaluating project timelines and will provide updated schedules for additional testing, as well as a new go-live date. The Board is also assessing length, terms, and conditions for extensions of dependent contracts.

