

QUALITY OF LIFE, ARTS & CULTURE COMMITTEE  
DALLAS CITY COUNCIL COMMITTEE AGENDA

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RECEIVED

2018 DEC -4 AM 9:03

CITY SECRETARY  
DALLAS, TEXAS

MONDAY, DECEMBER 10, 2018  
CITY HALL  
COUNCIL BRIEFING ROOM, 6ES  
1500 MARILLA STREET  
DALLAS, TEXAS 75201  
9:00 A.M. – 11:00 A.M.

**Chair**, Councilmember Sandy Greyson  
**Vice-Chair**, Councilmember Mark Clayton  
Councilmember Rickey D. Callahan  
Councilmember Jennifer S. Gates  
Councilmember Scott Griggs  
Councilmember B. Adam McGough  
Councilmember Omar Narvaez

Call to Order

1. Approval of November 26, 2018 Minutes

**BRIEFINGS**

2. **INFORMATIONAL MEMORANDUM**  
Fifth Amendment to Fair Park Contract with State Fair of Texas
3. **Upcoming Agenda Items**

December 12, 2018

- A. Agenda Item #9 - Authorize appropriations in an amount not to exceed \$10,882,465.00 in the Convention Center Hotel Tax Rebate Fund for FY 2018-2019 in order to satisfy the terms of the 2009 Economic Development Agreement with the Dallas Convention Center Hotel Development Corporation - Not to exceed \$10,882,465.00 - Financing: Convention Center Hotel Tax Rebate Fund
- B. Agenda Item #67 - Authorize a professional services contract with Dunaway Associates, L.P. for schematic design, design development, construction documents, procurement and construction observation phases for the Flag Pole Hill - Phase 1 Master Plan Implementation Project located at 8015 Doran Circle - Not to exceed \$168,050.00 - Financing: Park and Recreation Facilities (B) Fund (2017 Bond Funds)
- C. Agenda Item #68 - Authorize a professional services contract with Urban Engineers Group, Inc. for schematic design, design development, construction documents, procurement and construction observation phases for Elmwood Trail Phase Three located north of the existing Elmwood Parkway Trail Phase One - Not to exceed \$238,815.00 - Financing: Park and Recreation Facilities (B) (2017 Bond Funds)

- D. Agenda Item #69 - Authorize a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the city of Dallas for the period October 1, 2018 through September 30, 2019 - Not to exceed \$394,098.00 - Financing: General Fund
- E. Agenda Item #70 - Authorize a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas for the Cedar Ridge Preserve to provide services and programs within the city of Dallas for the period January 1, 2019 through December 31, 2019 - Not to exceed \$58,949.00 - Financing: General Fund
- F. Agenda Item #71 - Authorize a twelve-month funding agreement with Texas Discovery Gardens to provide services and programs within the city of Dallas for the period October 1, 2018 through September 30, 2019 - Not to exceed \$145,862.00 - Financing: General Fund
- G. Agenda Item #72 - Authorize an increase in the construction services contract with A S Con, Inc. to provide additional erosion control on the dam, landscape and lighting modifications at Kidd Springs Park located at 700 West Canty Street - Not to exceed \$78,579.48, from \$726,578.00 to \$805,157.48 - Financing: Park and Recreation Facilities Fund (2006 Bond Funds)
- H. Agenda Item #73 - Authorize a five-year maintenance agreement, with an automatic one-year extension with Parks for Downtown Dallas for the operation and maintenance of Belo Garden Park located at 1014 Main Street - Financing: This action has no cost consideration to the City (see Fiscal Information)
- I. Agenda Item #74 - Authorize the sixty-month extension option to the concession contract with IAMJ Enterprises, Inc. for the operation of the banquet facility at Cedar Crest Golf Course - Estimated Annual Revenue: \$4,000.00
- J. Agenda Item #75 - Authorize the sixty-month extension option to five concession contracts for Golf Pro Shop Managers with Bob Smith at Tenison Park Golf Courses in the amount of \$1,558,384.00, Mickey Ray Piersall at Luna Vista Golf Course in the amount of \$847,876.00, IAMJ Enterprises, Inc. at Cedar Crest Golf Course in the amount of \$526,848.00, James R. Henderson at Stevens Park Golf Course in the amount of \$1,158,353.00, and Tony Martinez at Grover C. Keeton Park Golf Course in the amount of \$469,830.00 - Estimated Annual Revenue: \$4,561,291.00
- K. Agenda Item #86 - Authorize **(1)** a development and maintenance agreement with Lincoln LAG LTD. and HEB Grocery Company, LP for the purpose of constructing the Matilda Trail, an enhanced sidewalk, hike and bike trail, and appurtenances located at East Lovers Lane and Matilda Street; **(2)** the establishment of appropriations in an amount not to exceed \$30,000.00 in the MOWmentum Park Improvement Fund; **(3)** the receipt and deposit of endowment funds in an amount not to exceed \$30,000.00 in the MOWmentum Park Improvement Fund; and **(4)** execution of the development and maintenance agreement - Financing: Revenue: \$30,000.00 (This item was deferred on November 28, 2018)

Adjourn



Sandy Greyson, Chair  
Quality of Life, Arts & Culture Committee

### 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.\*

### EXECUTIVE SESSION NOTICE

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]

# Quality of Life, Arts & Culture Committee Meeting Record

**Meeting Date:** November 26, 2018      **Convened:** 9:09 AM      **Adjourned:** 10:31 AM

**Members Present:**

Sandy Greyson (Chair)  
Mark Clayton (Vice-Chair)  
Rickey D. Callahan  
Jennifer S. Gates  
Scott Griggs  
B. Adam McGough  
Omar Narvaez

**Members Absent:**

**Council Members Present:**

**Briefing Presenters**

John Johnson  
*Assistant Director, Convention and Event Services*  
  
Beverly Whittet  
*Manager, Office of Special Events*

**Staff Present:**

Nina Arias; Casey Burgess; Janis Burklund; Dee Castillo; Louise Elam; David Fisher; Rosa Fleming; Juan Garcia; Cliff Gillespie; Kelly High; Terrance Hopkins; Jacquelin Justice; Brandon Kallenbach; Mary Lavender; Mike Oakes; Maria Ochoa-Cardenas; Jennifer Scripps; Jose Villalva; Dennis Ware; Joey Zapata

**Guests:**

**AGENDA:**

1. **Approval of the October 22, 2018 Minutes**

**Information Only:**

**Action Taken/Committee Recommendation(s):** Minutes of the October 22, 2018 Committee Meeting were approved after a typographical error was corrected on page 2, Item 2.

**Motion made by:**

**Motion seconded by:**

**Item passed unanimously:**

**Item passed on a divided vote:**

**Item failed unanimously:**

**Item failed on a divided vote:**

2. **Office of Special Events**

**Presenter(s):** John Johnson, Assistant Director, Convention and Event Services; Beverly Whittet, Manager, Office of Special Events

**Information Only:**

The Committee was briefed by the Office of Special Events on proposed ordinance updates.

**Action Taken/Committee Recommendation(s):**

The Committee discussed:

- Recommendations to review every 5 years, not 13 years
- Concerns from film industry and artistic stakeholders
- The new notification requirements, high impact areas and tiered approach
- Requested a comparison of permit types issued and those the public attended
- Additional requirements on OSE high impact areas
- Staff committed to contact film industry and artistic stakeholders and update the committee prior to scheduling the proposed ordinance for Council action in late January.

**Motion made by:**

**Motion seconded by:**

Item passed unanimously:

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

**3. MEMORANDUM: City Council Agenda Meeting Broadcasts on WRR-FM**

**Presenter(s):**

**Information Only:**

The Committee was briefed on the City Council Agenda Meeting Broadcasts on WRR-FM via memorandum.

**Action Taken/Committee Recommendation(s):**

The Committee discussed:

- Recommendations to stream City Council meetings on WRR-FM website
- Recommendations to add HD2 radio option
- Revenue options on HD2 channel
- Impact on evening drive time in 2019 due to later Council meetings
- Motion was made to bring item back in January with additional information requested by committee

**Motion made by:** Scott Griggs

**Motion seconded by:** Ricky D. Callahan

Item passed unanimously:

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

**4. Upcoming Agenda Items**

**Presenter(s):**

**Information Only:**

Information about the upcoming items was included in the briefing materials.

**Action Taken/Committee Recommendation(s):**

Upcoming Agenda Items were moved forward to full Council.

Staff would provide a memo to clarify discrepancies between the item posted on the Committee agenda as item J and item 62 on the November 28 Council Agenda.

**Motion made by:**

Item passed unanimously:

Item failed unanimously:

**Motion seconded by:**

Item passed on a divided vote:

Item failed on a divided vote:

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**Councilmember Sandy Greyson**  
Chair

# Memorandum



CITY OF DALLAS

DATE December 5, 2018

TO Honorable Members of the Quality of Life, Arts & Culture Committee: Sandy Greyson (Chair), Mark Clayton (Vice Chair), Rickey D. Callahan, Jennifer S. Gates, Scott Griggs, B. Adam McGough, Omar Narvaez

SUBJECT **Fifth Amendment to Fair Park Contract with State Fair of Texas**

The Fifth Amendment to Fair Park Contract with State Fair of Texas is attached for your review and discussion at the Quality of Life, Arts and Culture Committee meeting at 9 a.m. on Monday, December 10, 2018. This item will be scheduled on the Addendum for the December 12, 2018 City Council Agenda.

Also attached are the following reference documents:

- Fair Park Contract adopted August 28, 2002 by Resolution 02-2405
- Memorandum of Understanding between the City of Dallas and the State Fair of Texas approved June 28, 2017 by Administrative Action 17-6482
- State Fair of Texas Security Plan authorized September 13, 2017 by Resolution 17-1436
- City Council Resolution 18-1532
- Park & Recreation Board Resolution regarding the 2018 Fair Park Management Proposal

Please let me know if you have questions.

A handwritten signature in blue ink, appearing to read 'Joey Zapata'.

Joey Zapata  
Assistant City Manager

c: Honorable Mayor and Members of the City Council  
T.C. Broadnax, City Manager  
Chris Caso, City Attorney (I)  
Carol Smith, City Auditor (I)  
Billerae Johnson, City Secretary  
Preston Robinson, Administrative Judge

Kimberly Bizer Tolbert, Chief of Staff to the City Manager  
Majed A. Al-Ghafry, Assistant City Manager  
Jon Fortune, Assistant City Manager  
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer  
M. Elizabeth Reich, Chief Financial Officer  
Directors and Assistant Directors



Agenda Information Sheet

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**File #:** 18-1447

**Item #:** 4.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize a fifth amendment to the Fair Park Contract dated May 21, 2003, as previously amended (the "Agreement") to: **(1)** extend the initial term of the agreement for a period of 10 years (the term shall expire on December 31, 2038); **(2)** establish annual rental fees for 2028 thru 2038; **(3)** incorporate financial processes and procedures for the allocation of funds; **(4)** require the State Fair of Texas to pay its full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher; **(5)** incorporate a security plan process between the Dallas Police Department and the State Fair of Texas; and **(6)** incorporate miscellaneous provisions as required by state law - Revenue: \$39,750,000.00 (see Fiscal Information)

**BACKGROUND**

This item is being placed on the addendum per the City Manager's Office.

On May 21, 2003, City Council authorized a twenty-five (25) year lease agreement with two five-year contract extensions with the State Fair of Texas (SFT) to host the annual State Fair at Fair Park by Resolution No. 02-2405. The City's and State Fair's roles and responsibilities were clearly defined.

On August 9, 2006, City Council authorized a first amendment to the lease agreement with the State Fair of Texas for Phase I improvements to the Cotton Bowl by Resolution No. 06-2070. SFT agreed to provide the Phase I improvements to the Cotton Bowl Stadium totaling \$19.5 million in lieu of paying \$13.9 million to the City for rent. The rent payments to the City would be forgiven until early 2018, at which time the total amount of the scheduled rent payment would total \$13.9 million.

On October 22, 2008, City Council authorized a second amendment to the lease agreement with the State Fair of Texas to grant the State Fair of Texas the right to seek naming rights contracts for the Cotton Bowl Stadium and Summer Place Park Operation on behalf of the City by Resolution No. 08-2858.

On April 6, 2011, City Council authorized a third amendment to the Fair Park Contract with the State

Fair of Texas for marketing Fair Park by Resolution No. 11-0892. This allowed SFT a waiver of the annual \$50,000.00 marketing fee payment due to the City for four years to allow SFT to pay the Dallas Convention and Visitor Bureau \$200,000.00 up front to assist in paying Bowl game team payouts.

On February 13, 2013, City Council authorized a fourth amendment to the Fair Park Contract between the City and the State Fair of Texas to allow the State Fair of Texas to operate and maintain the Fair Park Livestock Center and seek naming rights and sponsorship opportunities for the facility and its components and allow for a 70/30 revenue split for parking revenues from the State Fair Summer Adventures' attendees by Resolution No. 13-0308.

On October 24, 2018, City Council procured, authorized, and entered into a twenty (20) year management agreement with the non-profit, Fair Park First, for the year-round private operation, maintenance, and enhancement of Fair Park by Resolution No. 18-1531.

On October 24, 2018, City Council authorized a resolution directing the City Manager to, in collaboration with Fair Park First, negotiate any necessary amendments or options to the existing Fair Park resident institutions, State Fair of Texas, and Texas Department of Transportation contracts, including extending the length of the terms to coincide with the Fair Park First contract and making any other improvements to other provisions of said contracts by Resolution No. 18-1532.

It is the mutual goal and desire of the City and SFT to cooperate with Fair Park First throughout the term of the private management agreement in order to further the enhancement, development, and improvement of Fair Park as a year-round public entertainment facility, tourist attraction, campus for cultural facilities, and public park. To facilitate that mutual goal and desire, City and SFT agree that the initial term of the Agreement should be extended to coincide with the initial term of the private management agreement with Fair Park First.

In this proposed fifth amendment, the following revisions are included:

- Extends the initial term of the agreement for a period of ten (10) years, bringing the expiration date to December 31, 2038. This extension will allow the term of the agreement to match the date of the Fair Park First contract.
- Establishes annual rental fees for 2028 to 2032 at \$1,950,000.00 per year, and for 2033 to 2038 at \$2,250,000.00.
- Amends the Agreement by incorporating financial processes and procedures for the allocation of funds.
- Requires the SFT to pay full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher.
- Authorizes the incorporation of a security plan process between the Dallas Police Department and the SFT.

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

On September 6, 2018, the Park and Recreation Board authorized a twenty (20) year agreement with two five-year renewal options with Fair Park First for management of Fair Park and a resolution that

supported the extension of Fair Park tenants' contracts to coincide with the initial term of the Fair Park First contract.

On October 24, 2018, City Council authorized a resolution directing the City Manager to, in collaboration with Fair Park First, negotiate any necessary amendments or options to the existing Fair Park resident institutions, State Fair of Texas, and Texas Department of Transportation contracts, including extending the length of the terms to coincide with the Fair Park First contract and making any other improvements to other provisions of said contracts by Resolution No. 18-1532.

The Quality of Life Committee will be briefed by memorandum regarding this item on December 10, 2018.

**FISCAL INFORMATION**

Revenue: \$39,750,000.00

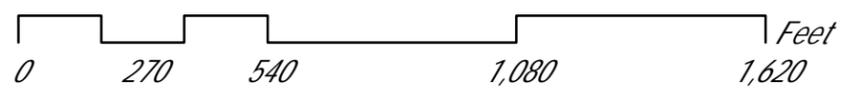
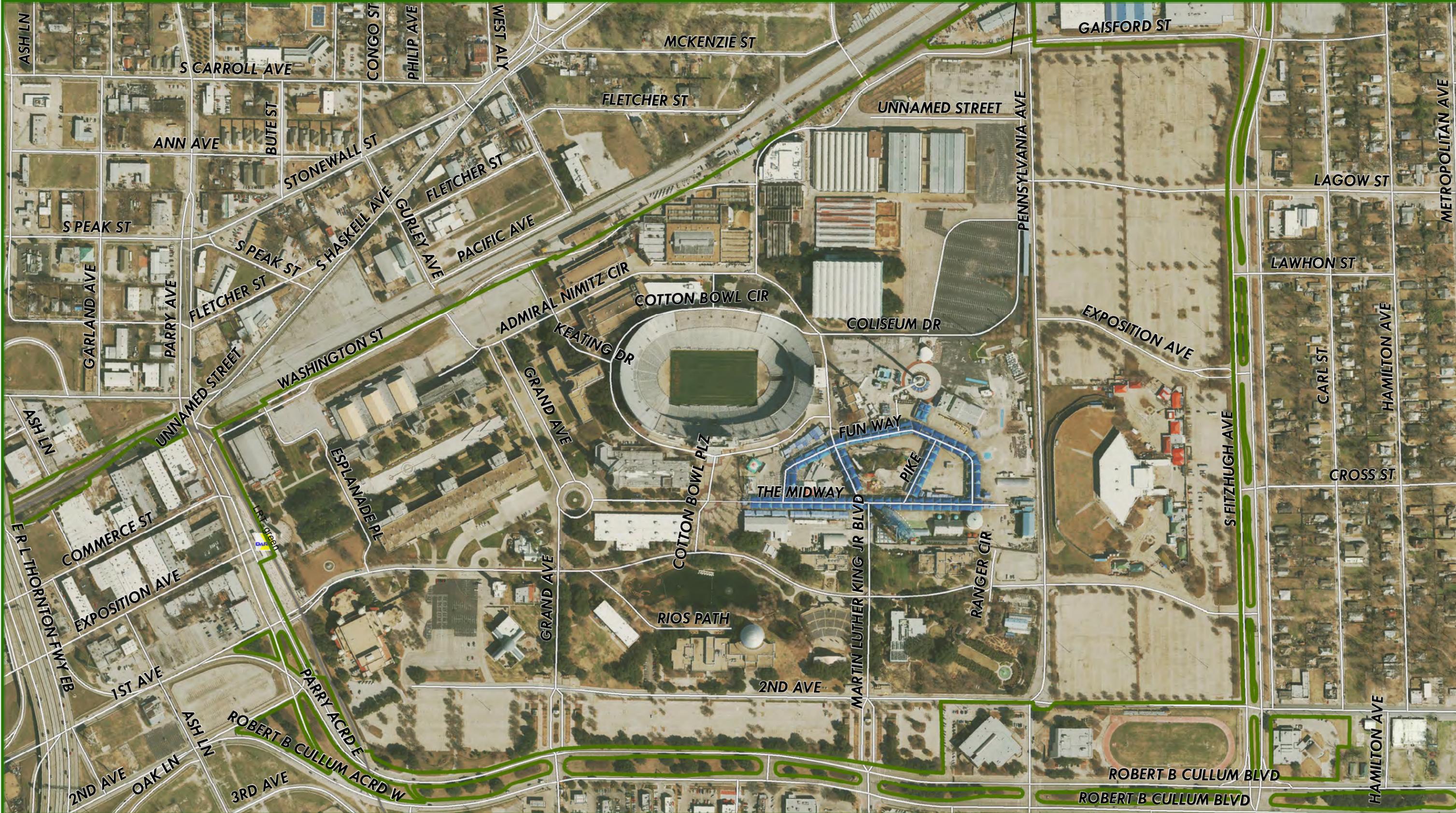
Per the initial agreement authorized in FY 2002, the State Fair shall pay the City annual rental fees for 2018 - 2027 and with the ten-year extension of the contract, annual rental fees for 2028 - 2038 as follows:

<b><u>Year</u></b>	<b><u>Annual Rental Fee</u></b>
2018	\$ 1,550,000.00
2019	\$ 1,550,000.00
2020	\$ 1,550,000.00
2021	\$ 1,550,000.00
2022	\$ 1,550,000.00
2023	\$ 1,750,000.00
2024	\$ 1,750,000.00
2025	\$ 1,750,000.00
2026	\$ 1,750,000.00
2027	\$ 1,750,000.00
2028	\$ 1,950,000.00
2029	\$ 1,950,000.00
2030	\$ 1,950,000.00
2031	\$ 1,950,000.00
2032	\$ 1,950,000.00
2033	\$ 2,250,000.00
2034	\$ 2,250,000.00
2035	\$ 2,250,000.00
2036	\$ 2,250,000.00
2037	\$ 2,250,000.00
2038	<u>\$ 2,250,000.00</u>
Total	\$39,750,000.00

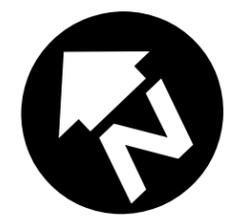
All rental fees will be paid to the City pursuant to the State Fair Contract, and will promptly be remitted by the City to Manager (Fair Park First).

**MAP**

Attached



*Fair Park*  
*1200 Second Avenue*



December 12, 2018

**WHEREAS**, on May 21, 2003, the City and State Fair of Texas entered into the Fair Park Contract for a term of 25 years with two five-year extensions, to provide for the use of the City's Fair Park for the annual State Fair of Texas Exposition and to clearly define the roles and responsibilities of the City and the State Fair of Texas (the "Agreement") by Resolution No. 02-2405; and

**WHEREAS**, on October 24, 2018, City Council authorized a 20-year management agreement with the non-profit, Fair Park First, for the year-round private operation, maintenance, and enhancement of Fair Park by Resolution No. 18-1531; and

**WHEREAS**, it is the mutual goal and desire of the City and the State Fair of Texas to cooperate with Fair Park First throughout the term of the private management agreement in order to further the enhancement, development, and improvement of Fair Park as a year-round public entertainment facility, tourist attraction, campus for cultural facilities, and public park; and

**WHEREAS**, to facilitate that mutual goal and desire, the City and the State Fair of Texas now agree that the initial term of the Agreement should be extended to coincide with the initial term of the private management agreement with Fair Park First; and

**WHEREAS**, as part of the consideration for extending the term of the Agreement, the City and the State Fair of Texas also agree to amend the Agreement to incorporate: (i) certain financial processes and procedures; (ii) the wage rate requirements for all State Fair employees; (iii) certain security plan requirements; and (iv) certain miscellaneous provisions now required by state law; and

**WHEREAS**, all other terms, provisions, conditions, and obligations of the Agreement between the City and State Fair shall remain in full force and effect, and the Agreement, as previously amended, and this fifth amendment shall be construed together as a single contractual agreement.

**Now, Therefore,**

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

December 12, 2018

**SECTION 1.** That the City Manager is hereby authorized to execute a fifth amendment to the Fair Park Contract dated May 21, 2003, as previously amended (the "Agreement") to: **(1)** extend the initial term of the agreement for a period of 10 years (the term shall expire on December 31, 2038); **(2)** establish annual rental fees for 2028 thru 2038; **(3)** incorporate financial processes and procedures for the allocation of funds; **(4)** require the State Fair of Texas to pay its full-time and part-time employees at least \$11.15 per hour or the federal minimum wage, whichever is higher; **(5)** incorporate a security plan process between the Dallas Police Department and the State Fair of Texas; and **(6)** incorporate miscellaneous provisions as required by state law, approved as to form by the City Attorney.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit funds from the State Fair of Texas (Vendor 078069) in the Fair Park Naming Sponsorship Fund, Fund 0426, Department PKR, Unit 5234, Revenue Code 7199.

**SECTION 3.** That this contract is designated as Contract No. PKR-2019-00008943.

**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.

THE STATE OF TEXAS                   §  
  §                   FIFTH AMENDMENT TO  
  §                   FAIR PARK CONTRACT  
COUNTY OF DALLAS                   §

THIS FIFTH AMENDMENT (the “Fifth Amendment”) to the Fair Park Contract dated May 21, 2003, as previously amended (the “Agreement”), is entered into by and between the CITY OF DALLAS, TEXAS (the “City”), a Texas municipal corporation acting by and through its City Council, and STATE FAIR OF TEXAS (“State Fair”), a Texas nonprofit corporation.

WHEREAS, on May 21st, 2003, by Resolution No. 02-2405, the City and State Fair entered into the Agreement for a term of 25 years with two five-year extensions, to provide for the use of the City’s Fair Park for the annual State Fair of Texas Exposition and clearly define the City’s and State Fair’s roles and responsibilities; and

WHEREAS, on October 24, 2018, by Resolution No. 18-1531, the Dallas City Council procured, authorized, and entered into a management agreement with the non-profit, Fair Park First, for the year-round private operation, maintenance, and enhancement of Fair Park; and

WHEREAS, it is the mutual goal and desire of the parties to cooperate with Fair Park First throughout the term of the private management agreement in order to further the enhancement, development, and improvement of Fair Park as a year-round public entertainment facility, tourist attraction, campus for cultural facilities, and public park; and

WHEREAS, to facilitate that mutual goal and desire, the parties now agree that the initial term of the Agreement should be extended to coincide with the initial term of the private management agreement with Fair Park First; and

WHEREAS, as part of the consideration for extending the term of the Agreement, the parties also agree to amend the Agreement to incorporate: (i) certain financial processes and procedures; (ii) the wage requirements for all State Fair employees; (iii) certain security plan requirements; and (iv) certain miscellaneous provisions as required by state law; and

WHEREAS, all other terms, provisions, conditions, and obligations of the Agreement between the City and State Fair shall remain in full force and effect, and the Agreement, as previously amended, and this Fifth Amendment shall be construed together as a single contractual agreement.

NOW, THEREFORE, City and State Fair, in consideration of the mutual covenants, terms and conditions contained in this Fifth Amendment, and for other good and valuable consideration, agree as follows:

**1. AGREEMENT TERM EXTENSION**

Article II, “TERM”, Sections 2.02 and 2.03 of the Agreement are hereby deleted and replaced with the following Section 2.02:

2.02 Extension of the Initial Term. Effective January 1, 2019, the Initial Term of this Agreement shall be extended for a period of ten (10) years. For the purposes of this Agreement, the definition of “Initial Term” shall include the ten-year extension as stated in this Section 2.02. The Initial Term shall expire on December 31, 2038.

**2. REVISED ANNUAL RENTAL FEE**

Article VIII, “ANNUAL RENTAL FEE”, Sections 8.01 thru 8.03 of the Agreement are hereby deleted and replaced with the following Section 8.01:

8.01 Initial Term. During the remaining portion of the Initial Term, the State Fair shall pay the City an annual rental fee according to the following schedule:

<b>Year</b>	<b>Annual Rental Fee</b>	<b>Quarterly Payment Amount</b>
2018 thru 2022	\$1,550,000	\$387,500
2023 thru 2027	\$1,750,000	\$437,500
2028 thru 2032	\$1,950,000	\$487,500
2033 thru 2038	\$2,250,000	\$562,500

The annual rental fee shall be paid by the State Fair to the City in equal quarterly installments on or before the 15th of the first month of each calendar quarter (January, April, July, and October) during the Initial Term of this Agreement.

**3. FINANCIAL PROCESSES AND PROCEDURES**

The Agreement is hereby amended by adding Section 11.06 to the end of Article XI, “ALLOCATION OF NET REVENUES”:

11.06 Financial Processes and Procedures. In accordance with the Memorandum of Understanding agreed to by the parties and effective June 28, 2017, the parties now agree herein:

- (a) Before the end of February of each year of this Agreement, the City and State Fair mutually agree to the following:
  - (i) State Fair will close-out financial books on prior year;

(ii) State Fair’s Board of Directors will determine “reasonable and prudent reserves” and establish its “Reserve Fund” policy and amount for current year that follows the guidelines set forth by the National Council of Nonprofits;

(iii) City, through its Director of the Park and Recreation Department or the Director’s authorized representative (the “Director”) and State Fair will hold an initial meeting for State Fair to present preliminary estimates of Net Revenues from the previous fiscal year;

(iv) State Fair will present a proposed schedule of capital expenditure projects and major maintenance projects to the Director (the “Preliminary Schedule”). City will have final approval of all major maintenance projects in the Preliminary Schedule;

(v) City will present its own list of proposed major maintenance projects to State Fair for review with State Fair and incorporation into the Preliminary Schedule;

(vi) During the review of the Preliminary Schedule, State Fair and the City will initially agree which party is best suited to undertake each major maintenance project, thereby initially determining and agreeing to the City’s Allocation;

(vii) If feasible, State Fair will provide an initial portion of funding of the City’s Allocation in the Fair Park Improvement Fund and such portion will be available to the City for agreed-upon City-designated major maintenance projects. Upon request, State Fair shall release funds to the City; and

(viii) City will provide State Fair a written list and status report of major maintenance projects previously funded by State Fair.

(b) Before the end of April of each year of this Agreement, the City and State Fair mutually agree to the following:

(i) State Fair will receive final audited financial statements, prepared in accordance with GAAP, from its independent public accountants;

(ii) State Fair will hold a second meeting with the Director to present final figures for Net Revenues from the previous fiscal year;

(iii) State Fair will present the Final Schedule, (which shall be inclusive of major maintenance project responsible party designations, as agreed to by the parties), for written approval by Director; and

(iv) Pursuant to Section 11.02 of this Agreement, no later than April 30, State Fair will provide the final dollar amount allocated to the City for the City's Allocation. That full amount for the City's Allocation will be earmarked and made available to the City from State Fair's board designated restricted Fair Park Improvement Fund account, if not already fully-funded in February.

#### **4. LIVING WAGE, SECURITY PLAN, & MISCELLANEOUS PROVISIONS**

The Agreement is hereby amended by adding the following Articles to the Agreement:

##### **XXV. LIVING WAGE**

25.01 State Fair shall pay both its full-time and part-time employees at least \$11.15 per hour. If the federal minimum wage is increased to exceed \$11.15 per hour during the Initial Term, then State Fair shall thereafter comply with all applicable federal minimum wage laws.

##### **XXVI. SECURITY PLAN**

26.01 City representatives from the Dallas Police Department ("DPD") and State Fair shall meet 180 days prior to each annual Fair to develop a security plan for that year's Fair. The security plan shall include, but not be limited to: (i) crowd control; (ii) perimeter traffic control; (iii) number of necessary personnel from police agencies or security service providers, including DPD officers; (iv) estimated direct costs for DPD officers, including those costs that would be normally provided in accordance with the practices and policies of the City of Dallas as well as DPD officers provided via overtime assignment; (v) reasonable and necessary reimbursement for special services provided; and (vi) other mutually agreeable security measures for operation of the Fair (collectively, the "Security Plan"). If private security personnel or elements from police agencies other than DPD or off-duty DPD personnel are included in the Security Plan, DPD shall provide the command structure, coordination, and deployment oversight for the implementation of the Security Plan. State Fair will be responsible for direct payment to non-DPD agencies and off-duty DPD personnel for services performed under the Security Plan.

26.02 Once the Security Plan is developed and agreed upon by DPD and State Fair, DPD shall implement and oversee the plan during the twenty-four operating days of the Fair. DPD will then invoice State Fair by December 31 of that year for reimbursement for services provided, including full cost recovery of both on-duty and overtime assignments based on actual hours worked. Within thirty (30) days of receipt, State Fair shall pay the full invoice amount.

XXVII  
MISCELLANEOUS

27.01 Pursuant to Section 2270.002, Texas Government Code, State Fair hereby (i) represents that it does not boycott Israel, and (ii) subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the Term. As used in the immediately preceding sentence, “boycott Israel” shall have the meaning given such term in Section 2270.001, Texas Government Code.

27.02 State Fair hereby represents that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, “foreign terrorist organization” shall have the meaning given such term in Section 2252.151, Texas Government Code.”

**5. ENTIRE AGREEMENT**

All other terms, provisions, conditions, and obligations between City and State Fair shall remain in full force and effect, and the Agreement, as previously amended, and this Fifth Amendment shall be construed together as a single contractual agreement. All capitalized terms in this Fifth Amendment not otherwise defined herein shall have the meanings described in the Agreement. This Fifth Amendment cannot be modified without written agreement of the parties. To the extent of any conflicts between this Fifth Amendment and the Agreement, the terms and conditions of this Fifth Amendment shall control.

**[Signatures are on the following page.]**

EXECUTED this the 12th day of December 2018, by CITY, signing by and through its City Manager, duly authorized to execute same by Resolution No. \_\_\_\_\_, adopted by the City Council on December 12, 2018, and by STATE FAIR, acting through its duly authorized officials.

APPROVED AS TO FORM:

**CITY OF DALLAS**

CHRISTOPHER J. CASO,  
Interim City Attorney

T.C. BROADNAX,  
City Manager

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

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

ATTEST:

By: \_\_\_\_\_  
City Secretary

**PARK AND RECREATION BOARD**

By: \_\_\_\_\_  
Name: Robert Abtahi  
Title: President

**STATE FAIR OF TEXAS,**  
a Texas nonprofit corporation

By: \_\_\_\_\_  
MITCHELL GLIEBER,  
President

By: \_\_\_\_\_  
JAIME NAVARRO,  
Chief Financial Officer  
Senior Vice President, Finance

ATTEST:

By: \_\_\_\_\_  
Corporate Secretary



clearly define the obligations, responsibilities, rights and duties of each with respect to the other, to provide for the enhanced year-round utilization of Fair Park as an entertainment center, tourist attraction and fair-grounds, and to provide a location for the annual State Fair of Texas for an additional twenty-five year term, with options for two five-year extensions.

NOW, THEREFORE, for and in consideration of the mutual undertakings herein provided, and other good and valuable consideration, the receipt and sufficiency of which are hereby confessed, the City and the State Fair do hereby renew, extend, modify, amend and replace the prior contractual relationship between them and agree as follows:

I.

DEFINITIONS

1.01 "City" means the City of Dallas, Texas.

1.02 "State Fair" means State Fair of Texas, a non-profit corporation organized under the laws of the State of Texas, and its successors or assigns.

1.03 "Park Board" means the City Park and Recreation Board as constituted pursuant to the Dallas City Charter or such other board or governing authority as may hereafter be established by the City for the purpose of exercising similar or other powers of a like nature in connection with the subject matter of this Agreement.

1.04 "Fair Park" means the tracts of land described in Exhibit A as that area is now constituted or may be diminished or increased during the term of this Agreement, including all buildings, structures, and improvements situated or erected on the tracts of land during the term of this Agreement.

1.05 "City Permanent Areas" means the areas, offices and/or buildings within Fair Park to be

available to and controlled by the City on a year-round, full-time or permanent basis as provided herein. City Permanent Areas are more fully described in Exhibit B.

1.06 "State Fair Permanent Areas" means the areas, offices and/or buildings within Fair Park to be available to and controlled by the State Fair on a year-round, full-time or permanent basis as provided herein. State Fair Permanent Areas are more fully described in Exhibit C.

1.07 "State Fair Seasonal Areas" means the areas, offices and/or buildings within Fair Park to be available to and controlled by the State Fair on a seasonal basis to further its operations of the annual State Fair of Texas as provided herein. State Fair Seasonal Areas are more fully described in Exhibit D.

1.08 "Fair" means the annual State Fair of Texas exposition presently held during the months of September and October each year under the supervision and control of the State Fair within Fair Park.

1.09 "Period of the Fair" means a period not to exceed thirty consecutive days during the months of September and October each year, or such other number of days as may be agreed upon by the City and the State Fair.

1.10 "Long term concessions" means contracts for food and drink services, souvenirs, or other sales which are intended to operate on a year-round, full-time or permanent basis.

1.11 "Temporary concessions" means contracts for food and drink services, souvenirs, or other sales which are intended to operate only on a short-term basis, such as during the Period of the Fair the State Fair's periods of Midway operations, or similar short terms.

1.12 "Cultural Facilities" means the current facilities known as Starplex, Museum of Natural History, the Aquarium, the Hall of State, Science Place I and II, the African American Museum, the

Women's Museum, the Music Hall, the Texas Discovery Gardens, and the Age of Steam, as outlined in Exhibit E, and such other museums, art galleries, educational or performance venues or similar year-round facilities as the Park Board may designate or establish as Cultural Facilities, whether as new construction or expansion or conversion of existing facilities; provided, however, the City shall secure the prior written approval of the State Fair prior to establishing any such new, converted or expanded facility, other than in the "Cultural Facility Districts" as outlined in Exhibit F, such approval not to be unreasonably withheld or conditioned.

1.13 "Community Outreach Programs" means those activities, events, programs, projects and/or organizations designed to enhance the Cultural Facilities for presentations and exhibits during the Fair, as well as those activities, events, programs, projects and/or organizations designed to promote State Fair and Fair Park within the City of Dallas.

1.14 "Midway" means the portion of Fair Park identified as such on the map of Fair Park attached hereto as Exhibit G.

1.15 "Long Range Plan" means any so-called Long Range Development Plan, as amended from time to time, mutually agreed upon in writing between the City and the State Fair, the purpose of which is to address the expanding and changing needs at Fair Park by providing a framework and guidelines for development, improvement, expansion, renovation, and preservation of Fair Park as the site of the Fair, as a campus for Cultural Facilities and related programming, and as a year-round entertainment center, tourist attraction, and public park.

## II.

### TERM

2.01 Initial Term. The Initial Term of this Agreement shall be for a period of twenty five (25)

years, beginning with the effective date of January 1, 2003 ("Initial Term").

2.02 First Extended Term. This Agreement shall automatically renew and continue for an additional five (5) years beyond the Initial Term ("First Extended Term"), unless the City or the State Fair shall elect to not renew this Agreement with the specific understanding that such non-renewal must be noticed in writing to the other party by December 1, 2025.

2.03 Second Extended Term. This Agreement shall automatically renew and continue for an additional five (5) years beyond the First Extended Term ("Second Extended Term"), unless the City or the State Fair shall elect to not renew this Agreement with the specific understanding that such non-renewal must be noticed in writing to the other party by December 1, 2030.

### III.

#### STATEMENT OF PURPOSE AND POLICY

3.01 General Principles. It is the intent of the parties to provide for the continued operation and presentation of the annual Fair at Fair Park in the City of Dallas as well as for the year-round operation of Fair Park by the City and the enhancement, development and improvement of Fair Park as a public entertainment facility, tourist attraction, campus for Cultural Facilities, and public park. It is the desire of the parties to more clearly define the respective roles and responsibilities of the City and the State Fair, and to promote mutual cooperation in order to achieve these joint purposes. It is therefore agreed that the City shall be responsible for the year-round operation, programming, maintenance and development of Fair Park. The State Fair shall be responsible for assembling, programming, operating, conducting and disassembling the annual Fair, including the annual University of Texas-University of Oklahoma football game at the Cotton Bowl, the annual Grambling State University-Prairie View A&M University football game at the Cotton Bowl, other

collegiate or professional athletic events held at the Cotton Bowl during the Period of the Fair, and operation of the Midway, both during the Period of the Fair and periodically throughout the year according to this Agreement.

3.02 Nondiscrimination. It is the intent of the parties to award concession and other contracts on a nondiscriminatory basis and to promote equal access to business opportunities at Fair Park among all segments of the community.

#### IV.

#### CONDUCT OF THE ANNUAL STATE FAIR OF TEXAS

4.01 Period of the Fair. The City agrees that the State Fair shall have possession and occupancy of Fair Park, other than City Permanent Areas and Cultural Facilities, for the Period of the Fair, or such additional time as may be agreed upon by the parties.

4.02 Fair Set-up Period. The City agrees that the State Fair may assume possession and occupancy of Fair Park, other than City Permanent Areas and Cultural Facilities, up to sixty (60) days prior to the opening of the Fair for the purpose of preparation, assembly, erection, organization and programming of the Fair ("set-up period").

4.03 Fair Take-down Period. The City agrees that the State Fair may also have possession and occupancy of Fair Park, other than City Permanent Areas and Cultural Facilities, for a period not to exceed thirty (30) days after the closing of the Fair for the purposes of disassembling the Fair, cleaning up, and restoring Fair Park to acceptable condition ("take-down period").

4.04 Condition Received. The City agrees that Fair Park, including the Cotton Bowl but excluding City Permanent Areas and Cultural Facilities, shall be made available to the State Fair in good, clean and usable condition each year prior to occupancy by the State Fair for the conduct of the

Fair.

4.05 Condition Returned. The State Fair agrees to return to the City those portions of Fair Park used for conducting and presenting the Fair in good, clean and usable condition, normal "wear and tear" excepted.

4.06 Open to Public. During the set-up and take-down periods, Fair Park shall remain open to the general public, and areas not being used by the State Fair may be programmed and used by the City in any manner that does not unreasonably interfere with the set-up and take-down of the Fair. The State Fair will cooperate to accommodate City events during said set-up and take-down periods.

V.

#### THE MIDWAY OPERATIONS

5.01 Use by the State Fair. The State Fair shall program and operate the Midway during the Period of the Fair and throughout the year as weather conditions permit. These obligations include assembling, programming, operating, and disassembling all rides, games, food concessions, and other activities necessary for the development and programming of the Midway as an integral part of the annual Fair and Fair Park's year-round entertainment and tourist attraction efforts. Operation of the Midway by the State Fair during non-Fair periods shall be coordinated through the Director of the Park and Recreation Department or his designee. It is the objective of the City and the State Fair to identify non-Fair opportunities during the year for operation of the Midway and the State Fair will program and operate the Midway during such opportunities as are deemed economically feasible by the State Fair.

VI.

#### CONCESSIONS AND EXHIBIT CONTRACTS

6.01 During the Period of the Fair. The State Fair may enter into contracts for the operation of any temporary concessions, exhibit, attraction, or entertainment enterprise for terms not to exceed the term of this Agreement when the contracts are to be performed during the Period of the Fair. The contracts may be performed at any location within Fair Park under the control of the State Fair during this period. The contracts must contain appropriate provisions reserving unto the State Fair, the City, and the Park Board the right to require the contractor to vacate (permanently or temporarily) its location if the location is needed for permanent improvements or is otherwise in conflict with the needs of the State Fair, the City or the Park Board in connection with the development and operation of Fair Park.

6.02 Long-Term Cotton Bowl Contracts. The State Fair may enter into contracts for annual sports events at the Cotton Bowl to occur during the Period of the Fair such as the annual University of Texas-University of Oklahoma football game and the annual Grambling State University-Prairie View A&M University football game for terms not to exceed the term of this Agreement.

6.03 Long-term Concessions. The City may, as it deems appropriate and advisable, solicit, award, and renew long-term concession contracts at the Cotton Bowl and Old Mill Inn Restaurant. It shall also be the responsibility of the City to solicit and award long-term concession contracts for food and drink concessions in the permanent buildings, such as the Tower Building, Automobile Building, Embarcadero Building, Grand Place, Coliseum, Food & Fiber Building, Band Shell, Centennial Building, and such other permanent buildings for which long-term food and drink concessions are deemed to be appropriate. These City concession contracts shall be awarded for terms of one or more years, and may be renewable by the Park Board as it deems appropriate. The City agrees to cooperate and consult with State Fair prior to the awarding of any future long-term concession

contracts in Fair Park during the term hereof. The City agrees to use its reasonable best efforts to require current contractors to operate the concessions subject to the rules of the State Fair during the Period of the Fair, including their executing a "Fairtime Food Concession Agreement" that will be binding upon the contractors for the Period of the Fair. Additionally, the City shall require new/renewed contractors to operate any concessions subject to the rules of the State Fair during the period of the Fair, including incorporating the execution of the "Fairtime Food Concession Agreement" into such contracts. It shall be a condition of these concession contracts that during the Period of the Fair State Fair shall have a unilateral right to suspend a contract for cause, if State Fair determines that the concession contractor has failed to comply with the rules and regulations of the State Fair, breached the "Fairtime Food Concession Agreement," failed to pay the appropriate percentage of gross receipts, or otherwise failed to perform in accordance with the terms and conditions of the concession contract or "Fairtime Food Concession Agreement." Upon compliance with the above stated requirements, the State Fair agrees to treat the City's concessionaires/contractors no less favorably than its concessionaires/contractors.

6.04 Prior Notice of Long-Term Contracts. The City agrees to provide the State Fair with at least ninety (90) days advance notice prior to the award of any concession contract for a term of one year or more at Fair Park. The City agrees to receive and give consideration to any recommendations, suggestions or comments which the State Fair may provide to the City in connection with the award of long-term concession contracts; provided, however, the City's decision to award contracts shall be in its sole and unqualified discretion.

6.05 Temporary (Non-Fair) Concessions. The City may solicit and award temporary contracts for concessions at Fair Park which do not involve (a) operations during the Period of the Fair, (b) the

Midway, or (c) State Fair Permanent Areas.

6.06 Other Concession Contracts. All concession contracts which operate only during the Period of the Fair, excluding those in Cultural Facilities, will be solicited, awarded, supervised, and managed solely by the State Fair.

6.07 Fees during the Fair. The State Fair shall have the sole authority to legally establish all fees, rates, fares, and charges for all concessions, rides, admissions, parking, exhibits, sporting events, sponsorships and all other activities at Fair Park for the Period of the Fair, except for fees charged by or at Cultural Facilities.

## VII.

### INCOME AND REVENUE

7.01 State Fair Revenue. The State Fair shall receive all revenues from temporary concession contracts, rentals, exhibit fees, sporting events, entertainment events, vehicle parking fees, sponsorships, and all other sources of revenue from Fair Park generated during the Period of the Fair, except for revenue generated by the Cultural Facilities.

7.02 Concessions during the Period of the Fair. The State Fair shall receive the revenue generated during the Period of the Fair that would otherwise be collected by the City from concessionaires at Fair Park under contracts with the City, except for those involving Cultural Facilities.

7.03 Midway and State Fair Permanent Area Revenues. The State Fair shall receive all revenue from the operation of the Midway whenever operated by the State Fair, including revenue from any specific concession contracts awarded by the State Fair for operations within the Midway. Additionally, the State Fair shall receive all revenues from temporary concession contracts, rentals, exhibit fees, events, vehicle parking fees, sponsorships, and all other sources of revenue from the

operations of the State Fair Permanent Areas during non-Fair periods; provided, however, that the City shall receive all revenue from parking fees, rentals, exhibit fees, events, sponsorships, concession fees, and all other sources of revenue from City events during non-Fair periods, even if such revenue is generated from the use of State Fair Permanent Areas. The City must secure the prior written approval of the State Fair for use of State Fair Permanent Areas for City events; however, the State Fair will make every reasonable effort to accommodate such requests.

**7.04 City Revenues.** The City shall receive all revenue from concession contracts, rentals, exhibit fees, vehicle parking fees, sponsorships, and all other sources of revenue in Fair Park except (a) during the Period of the Fair, (b) all revenues from the Midway, when the Midway is operated by State Fair during non-Fair periods, and (c) all revenue from the State Fair Permanent Areas (except as provided in §7.03 above).

**VIII.**

**ANNUAL RENTAL FEE**

**8.01 Initial Term.** During the Initial Term of this Agreement the State Fair shall pay the City an annual rental fee according to the following schedule:

Year	Annual Rental Fee	Quarterly Payment Amount
2003 thru 2007	\$950,000	\$237,500
2008 thru 2012	\$1,150,000	\$287,500
2013 thru 2017	\$1,350,000	\$337,500
2018 thru 2022	\$1,550,000	\$387,500
2023 thru 2027	\$1,750,000	\$437,500

The annual rental fee shall be paid by the State Fair to the City in equal quarterly installments on or before the 15<sup>th</sup> of the first month of each calendar quarter (January, April, July & October) during the Initial Term of this Agreement.

8.02 First Extended Term. Subject to paragraph 2.02, the State Fair shall pay the City an annual rental fee of One Million Nine Hundred Fifty Thousand and No/100s Dollars (\$1,950,000) each year during the First Extended Term. The annual rental fee during the First Extended Term shall be paid by the State Fair to the City in equal quarterly installments on or before the 15<sup>th</sup> of the first month of each calendar quarter.

8.03 Second Extended Term. Subject to paragraph 2.03, the State Fair shall pay the City an annual rental fee of Two Million Two Hundred Fifty Thousand and No/100s Dollars (\$2,250,000) each year during the Second Extended Term. The annual rental fee during the Second Extended Term shall be paid by the State Fair to the City in equal quarterly installments on or before the 15<sup>th</sup> of the first month of each calendar quarter.

8.04 Rental Fee Use. The City agrees that the entire amount of the rental fee paid pursuant to this Article VIII shall be placed in a special account by the City and used only for the operation, maintenance, development and improvement of Fair Park.

8.05 Marketing Fee. As additional consideration the State Fair shall pay to the City on or before January 15<sup>th</sup> of each year an annual marketing fee in the amount of \$50,000 to provide for marketing and community programs involving Fair Park as determined by the City in its sole and absolute discretion.

8.06 Support of Cultural Facilities and Community Outreach Programs. As additional consideration the State Fair agrees to spend at least \$150,000 each calendar year during the term of

this Agreement with the Cultural Facilities and Community Outreach Programs. The specific expenditure items under this paragraph 8.06 shall be determined by and in the sole and absolute discretion of the State Fair.

IX.

OTHER CONSIDERATION AND OBLIGATIONS OF THE STATE FAIR

9.01 Return in Good Condition. Following the use of Fair Park for the Fair, the non-Fair time operation of the Midway by the State Fair, or any other use of Fair Park by the State Fair, the State Fair shall return the premises of Fair Park to the City in substantially the same and as good a condition as before the use, normal "wear and tear" excepted, unless otherwise agreed in writing by the City's Director of Park and Recreation Department.

9.02 Reserve Fund. In order to provide a sound financial basis for the future economic integrity of the Fair, the State Fair agrees to develop and maintain a reserve fund in the amount of at least \$4,500,000. This fund shall be used by the State Fair only upon authorization by the Board of Directors of the State Fair, as reflected in the minutes of the board and only for purposes consistent with ensuring the future operation of the annual Fair. If the balance of the reserve fund falls below the amount of \$4,500,000, the State Fair agrees to make reasonable efforts to restore the balance of the fund in a timely manner.

9.03 Utility Expenses. The State Fair agrees to pay the following costs:

- (a) all electrical energy, natural gas, water, and sewer utility costs ("utilities") incurred at Fair Park during the term of this Agreement for the period from September 15<sup>th</sup> through October 31<sup>st</sup> of each year, excluding those for City Permanent Areas and Cultural Facilities;
- (b) cost associated with private "meter reader" personnel to determine the State Fair

utility usage during the above-described period;

(c) all utilities attributable to State Fair Permanent Areas throughout the entire year;

(d) all utilities attributable to State Fair Seasonal Areas during the period of their usage by the State Fair; and

(e) all utilities attributable to the Midway for non-Fair periods of operation by the State Fair, including set-up and take-down periods attributable thereto.

The City shall invoice the State Fair each year of this Agreement for all costs associated with utility usage by the State Fair during the previous Fair. The City shall invoice the State Fair on a monthly basis during this Agreement for all costs associated with utility usage by the State Fair for State Fair Permanent Areas. The City shall invoice the State Fair for utility usage by the State Fair for non-Fair Midway operations and use of State Fair Seasonal Areas by the State Fair as soon thereafter as is practicable. The State Fair shall pay the City such utility costs within forty-five (45) days of receipt of such invoices.

9.04 Bonds, Indemnification and Standards. The State Fair shall require all of its contractors for any construction, repair or renovation work to obtain performance and payment bonds if those bonds would be required of a contractor for the same work for the City. Both the City and the State Fair shall be named as joint obligees in all bonds. The State Fair agrees to require all contractors and concessionaires of the State Fair to indemnify both the State Fair and the City, and to provide reasonable insurance (not less than required by the City on similar contracts) naming both the State Fair and the City as additional insureds.

9.05 Maintain Non-profit Status. The State Fair shall not, either by act or omission, allow its non-profit status with the State of Texas or the Internal Revenue Service to lapse or become forfeit.

X.

INDEMNIFICATION AND INSURANCE

10.01 Indemnification. The State Fair agrees to defend, indemnify, and hold the City and its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs, and expenses for personal injury (including death), property damage or other harm for which recovery of damages is sought ("Damages"), suffered by any person or persons, that may arise out of or be occasioned by any negligent or strictly liable act or omission of the State Fair or its officers, agents, employees or contractors, in the performance of this Agreement; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the City, and in the event of joint and concurring negligence or fault of the State Fair and the City, responsibility and indemnity, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without waiving any governmental immunity available to the City or defenses of the parties under Texas law. It is further provided that the City shall give the State Fair prompt and reasonable notice of any such claim or action and the State Fair shall have the right and obligation to investigate, compromise, defend and pay same to the extent required herein. To the extent not covered by the proceeds of insurance, the State Fair further agrees to fully indemnify and hold the City harmless from any and all damage of any kind or character whatsoever to any property of the City, real or personal, arising out of the occupancy or use of Fair Park by the State Fair. The provisions of this paragraph are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

10.02 Insurance. See Exhibit H, which is attached hereto and incorporated herein for all purposes.

XI.

ALLOCATION OF NET REVENUES

11.01 Application of Excess Revenues. The State Fair agrees to expend the excess of its revenues, less its expenses and after all reasonable and prudent reserves are funded, on major maintenance and capital expenditures, which State Fair agrees to use for the development and enhancement of Fair Park and the Fair, using as a reference and guide the mutually agreed upon Long Range Plan.

11.02 Proposed Projects. On or before April 30<sup>th</sup> of each year of this Agreement, the State Fair shall present to the Director of the City's Park and Recreation Department a schedule of the following:

- (a) major maintenance and capital expenditure projects which the State Fair will undertake for the year; and
- (b) allocation of anticipated expenditures by the State Fair for Cultural Facilities and Community Outreach Programs.

"Major maintenance" project shall mean capital projects to Fair Park real property or any improvements thereon.

11.03 City Approval. The State Fair agrees to cooperate and consult with the Director of the City's Park and Recreation Department prior to preparing and submitting the schedule for major maintenance and capital expenditure projects. No major maintenance projects may be pursued without the Director of the City's Park and Recreation Department's advance review and written approval.

11.04 Plans and Specifications. All applicable major maintenance and capital expenditure projects performed by the State Fair shall be inspected by the Engineering/Design/Development staff of the

Park and Recreation Department for compliance with City Codes.

11.05 Audit. The City shall have the right to audit the schedule of major maintenance and capital expenditure projects to ensure proper compliance with the terms of this Agreement.

## XII.

### STATE FAIR OFFICE SPACE AND OTHER AREAS

12.01 Office Space, Etc. The State Fair shall occupy or control on a year-round basis the office space and other areas within Fair Park constituting State Fair Permanent Areas. The State Fair shall occupy or control on a seasonal basis the office space and other areas within Fair Park constituting State Fair Seasonal Areas ("move-in" dates set forth on Exhibit D). Additionally, State Fair shall have exclusive control of the adjacent parking areas to the above-described office areas.

12.02 Expenses. The State Fair agrees to pay the cost of all maintenance and utilities for State Fair Permanent Areas and State Fair Seasonal Areas (when occupied) during the term of this Agreement.

12.03 Release of Space. Should the State Fair elect not to occupy or use the first floor office space of the Centennial Building, which is designated for the State Fair's use on a seasonal basis as a part of the State Fair Seasonal Areas, the City may elect to take over said space in which event it shall be removed from the State Fair Seasonal Areas and added to the City Permanent Areas, without adjustment to any consideration provided herein.

## XIII.

### RECORDS AND AUDITS

13.01 Audited Annual Statements. The State Fair shall provide the City with audited annual financial statements, together with report of independent public accountants, by May 1 of each year of this Agreement.

13.02 Audit. The City reserves the right to conduct audits of the State Fair regarding compliance with this Agreement, and the State Fair agrees to maintain all financial records for a period of five (5) years. The State Fair agrees to permit access to its records by the City Auditor, or any outside auditor retained by the City, for the purpose of conducting audits during regular business hours and upon reasonable notice.

#### XIV.

#### LIAISON COMMITTEE

14.01 General. If the parties desire, a Liaison Committee shall be established consisting of two members from the Board of Directors of the State Fair and two members of the Park Board. The purpose of the Liaison Committee is to enhance liaison and communication between the parties, and to provide a format for ongoing discussions of mutual goals for the support and improvement of Fair Park and the presentation of the Fair. This committee shall function in an advisory capacity only, without any specific policy making authority or decision making power. The reports, recommendations, and suggestions of the Liaison Committee shall be received, reviewed, and considered by the Board of Directors of the State Fair and the Park Board. The Liaison Committee shall meet as often as necessary as determined by its members.

14.02 Advisory Review. The Liaison Committee shall also function as an Advisory Review Committee in the event differences of opinion or disagreements occur relating to the award or termination of concession contracts, when these matters cannot be satisfactorily resolved by the Director of the Park and Recreation Department and the President of the State Fair. When functioning in its capacity as an Advisory Review Committee, the Liaison Committee shall be augmented by an additional member, who shall be a neutral citizen of the City of Dallas selected by

agreement of the committee. After conducting a review of the facts and circumstances submitted to the committee by the Director of Parks and Recreation and the President of the State Fair, the committee shall submit its conclusions in the form of a recommendation for appropriate action, which recommendation shall be submitted to the Park Board and the Board of Directors. The final resolution of disputed matters shall be consistent with the terms and conditions of this Agreement.

XV.

#### CASUALTY AND CONDEMNATION

15.01 Remainder Unsuitable for Fair. In the event a substantial enough portion of Fair Park is damaged or destroyed by casualty or taken in condemnation or conveyed under threat and in lieu of condemnation such that the remainder is no longer a reasonably suitable site/venue for presenting the annual Fair, either party may terminate this Agreement by written notice to the other.

XVI.

#### NOTICES

16.01 All notices, communications, and reports required or permitted under this Agreement shall be effective only if in writing and delivered via U.S. mail (first class certified mail, postage prepaid), personal delivery, or private/overnight courier. Notices shall be effective upon receipt by the addressee.

If intended for the CITY, to:

Director, Park and Recreation Department  
City of Dallas  
City Hall, Room 6FN  
1500 Marilla Street  
Dallas, Texas 75201

If intended for the STATE FAIR via U.S. Mail, to:

President  
State Fair of Texas  
P.O. Box 150009  
Dallas, Texas 75315

If intended for the STATE FAIR via personal delivery or private/overnight courier, to:

President  
State Fair of Texas  
3921 Martin Luther King Blvd. (Fair Park)  
Dallas, Texas 75210

XVII.

VENUE

17.01 The obligations of the parties to this Agreement are performable in Dallas County, Texas, and if legal action is necessary to enforce same, exclusive venue shall lie in Dallas County, Texas.

XVIII.

APPLICABLE LAWS

18.01 This Agreement is made subject to the provisions of the Charter and ordinances of the City, as amended, and all applicable state and federal laws. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

XIX.

LEGAL CONSTRUCTION

19.01 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and such portion shall be deemed severed from this Agreement and the remaining part shall remain in full force and effect and the

parties shall promptly negotiate to replace invalid or unenforceable portions that are essential parts of this Agreement.

19.02 Constructions and Interpretation. This Agreement shall be fairly interpreted in accordance with its terms and without any strict construction in favor or against either party hereto and ambiguities shall not be construed against the drafting party. All references to "Paragraphs", "Articles" or "Sections" contained in this Agreement are, unless specifically indicated otherwise, references to provisions of this Agreement. Whenever in this Agreement the singular number is used, the same shall include the plural where appropriate (and vice versa), and words of any gender shall include each other gender where appropriate. As used in this Agreement, the following words or phrases shall have the meanings indicated: (i) "or" means "and/or"; (ii) "include," "including," and their derivatives means "including without limitation"; and (iii) "laws" means statutes, regulations, rules, judicial orders, and other legal pronouncements having the effect of law.

XX.

#### COUNTERPARTS

20.01 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

XXI.

#### CAPTIONS

21.01 Captions and headings of the paragraphs or sections of this Agreement are for convenience and reference only and shall not affect, modify or amplify the provisions of this Agreement, nor shall they be employed to interpret or aid in the construction of this Agreement.

XXII.

SUCCESSORS AND ASSIGNS

22.01 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective executors, administrators, successors and, except as otherwise provided in this Agreement, their assigns. Neither party may assign or transfer its interest in this Agreement without the advance written consent of the other party.

XXIII.

ENTIRE AGREEMENT

23.01 This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

XXIV.

NO THIRD PARTY BENEFICIARIES

24.01 The provisions of this Agreement are solely for the benefit of State Fair and the City, and not intended to create or grant any rights, contractual or otherwise, to any employee of either party or to any other person or entity; and no such employee, other person or entity shall have any right of enforcement of this Agreement or any provision contained herein, such right of enforcement being exclusively reserved to State Fair and the City as the sole parties to, and sole beneficiaries of, this Agreement.

EXECUTED this the 21st day of May, 2003, by CITY, signing by and through its City Manager, duly authorized to execute same by Resolution No. 02-2405, adopted by the City Council on August 28, 2002, and by STATE FAIR OF TEXAS, acting through its duly authorized officials.

APPROVED AS TO FORM:  
MADELEINE B. JOHNSON  
City Attorney

CITY OF DALLAS  
TEODORO J. BENAVIDES  
City Manager

By: [Signature]  
Assistant City Attorney

By: [Signature]  
Assistant City Manager

ATTEST:

PARK AND RECREATION BOARD OF  
THE CITY OF DALLAS

[Signature]  
Board Secretary

By: [Signature]  
Board President

ATTEST:

STATE FAIR OF TEXAS

[Signature]  
Robert B. Smith, Corporate Secretary

By: [Signature]  
Errol McKoy, President

By: [Signature]  
Lee Winton, CFO/Sr. Vice President,  
Finance

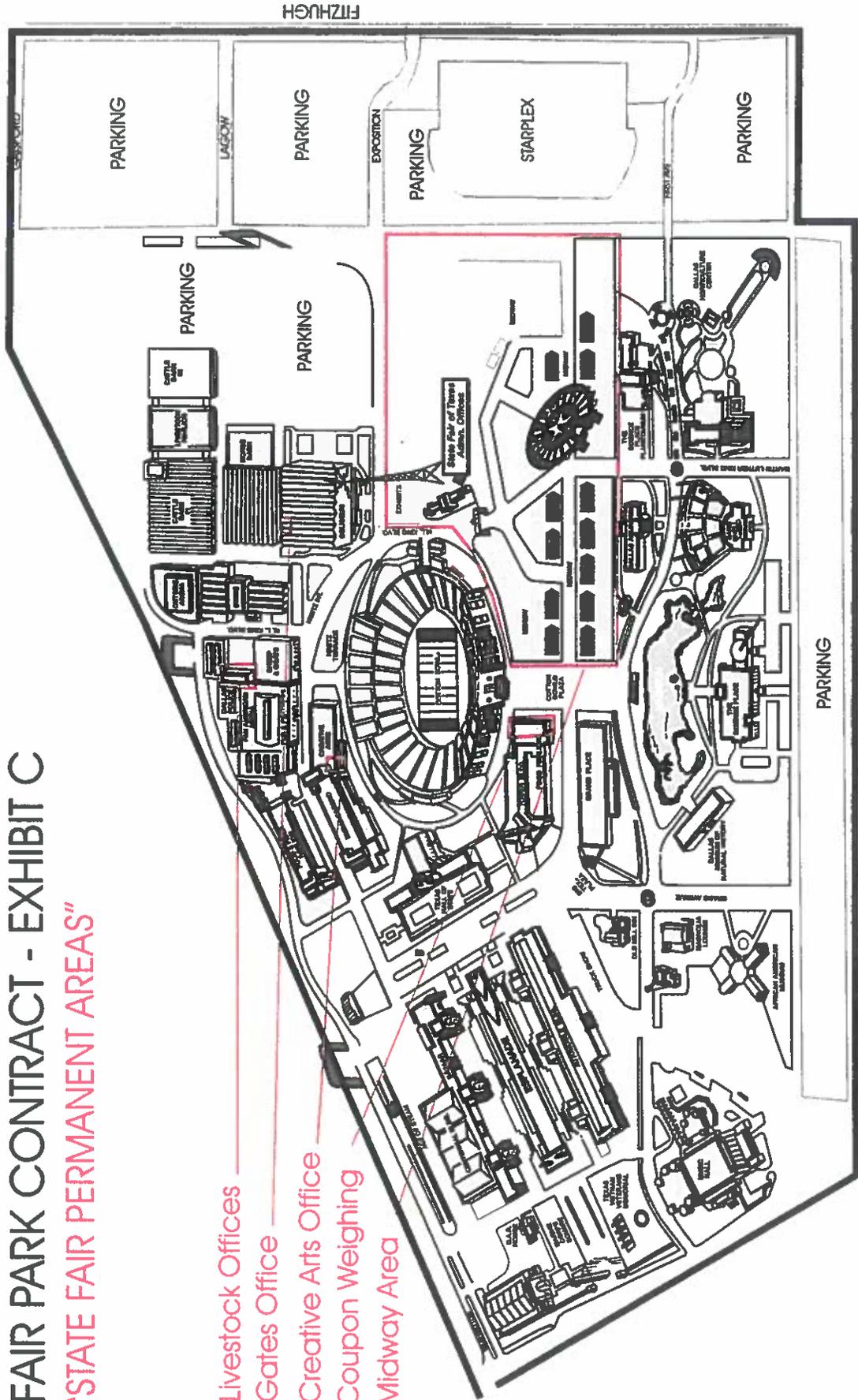




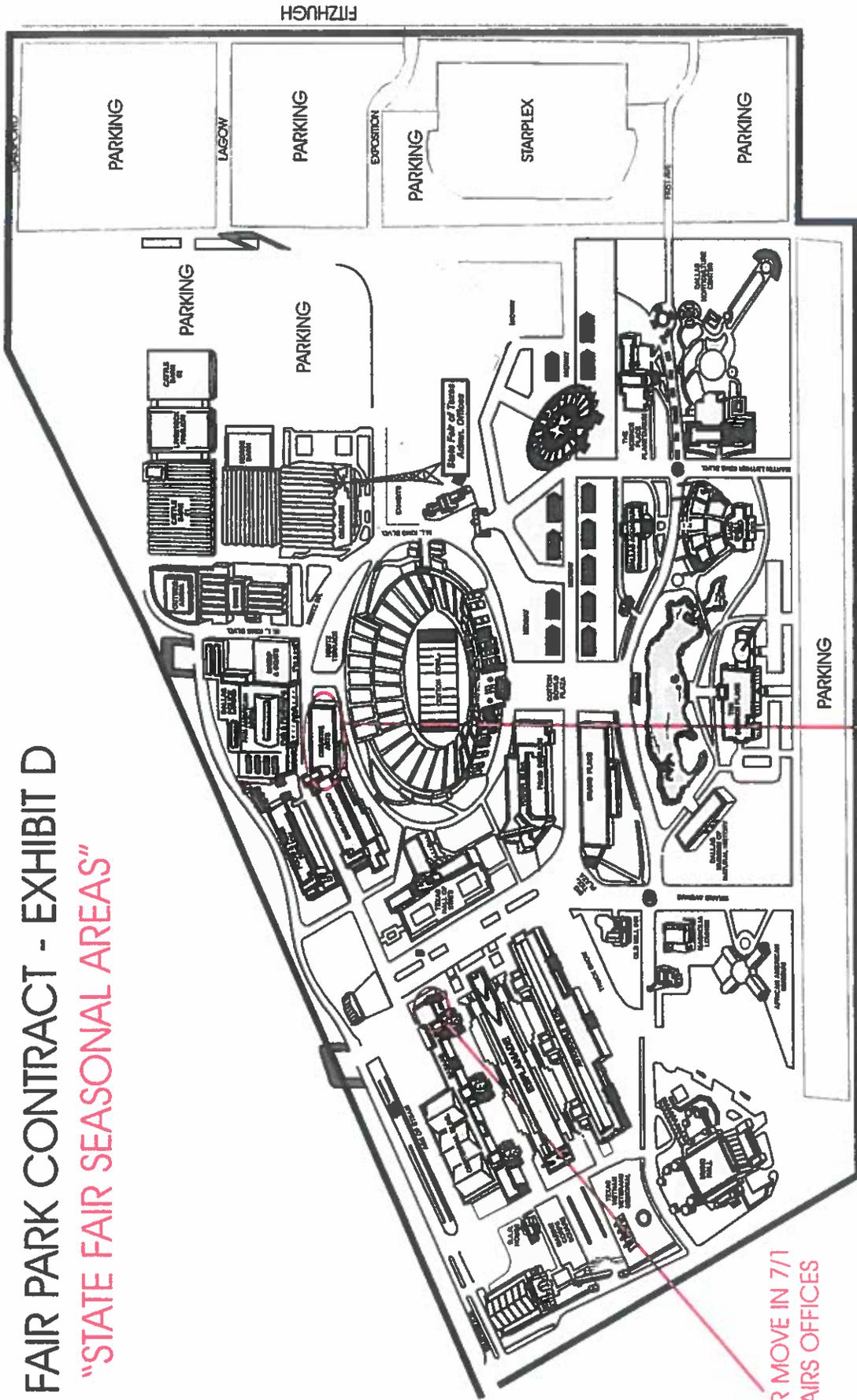
# FAIR PARK CONTRACT - EXHIBIT C

## "STATE FAIR PERMANENT AREAS"

- Livestock Offices
- Gates Office
- Creative Arts Office
- Coupon Weighing
- Midway Area



FAIR PARK CONTRACT - EXHIBIT D  
"STATE FAIR SEASONAL AREAS"



STATE FAIR MOVE IN 7/1  
DOWNSTAIRS OFFICES

STATE FAIR MOVE IN 8/1 - EXHIBIT SPACE



CITY OF DALLAS

# ADMINISTRATIVE ACTION

See Administrative Directive 4-5 (Sections 6 Through 11) for Additional Guidelines and Routing

ADMINISTRATIVE ACTION

## 136622

EFFECTIVE DATE

8-19-2013 - Am

1. Place an "X" in the appropriate box, complete and submit this form for the approval of:

- a. Low bid contracts of not more than \$70,000
- b. Change orders for low bid contracts: \$50,000 or less (may not increase original contract price by more than 25%)
- c. Professional/Personal/Planning/Other Service contracts: \$50,000 or less.
- d. Amendments to non-bid contracts: \$50,000 or less, per City Code Sec. 2-34
- e. WRR-FM expenditures: \$50,000 or less per City Code Sec. 2-79D of the City Code.
- f. Other (explain on attachment)

RECEIVED  
2013 OCT 25 AM 9:37  
CITY SECRETARY  
DALLAS, TEXAS

2. Attach all supporting documents including bid information as required. Approval shall be obtained before services are rendered.

3. Is this expenditure related to a construction project?

Yes  No

4. Any Administrative Actions to this vendor in the last 12 months? (if yes, attach explanation)

Yes  No

Vendor Name: State Fair of Texas

Subject: Amendment to Exhibits E & F to the City's Contract with State Fair of Texas  
Department: Park & Recreation

Action Requested: Authorize amending Exhibits E & F (maps) of the State Fair of Texas contract with the City of Dallas removing the Museum of the American Railroad facility on both exhibits due to the museum's relocation to Frisco, Texas.

Contract Term: 7/25/2013 To 5/20/2028

Background: On August 28, 2002, Council approved an agreement between City of Dallas and the State Fair of Texas entitled "Fair Park Contract" which is in place for a 25-year term, with options for two five-year extensions. Due to the recent relocation of the Museum of the American Railroad (formerly known as "Age of Steam Museum") to Frisco, Texas, Exhibit E (highlighted map of "Cultural Facilities") and Exhibit F (highlighted map of "Cultural Facility Districts") now require amendment to remove the railroad museum from the maps for these two exhibits. (See current and proposed new exhibits E & F attached)  
Contact: Daniel Huerta (214) 670-8483

FUND	DEPT	UNIT	ACTV	OBJ	PROGRAM	ENCUMBRANCE	VENDOR	AMOUNT
n/a								0.00

Project No.: \_\_\_\_\_ Commodity Code: \_\_\_\_\_ Financing: \_\_\_\_\_ No Cost Consideration to the City

Change Order No.	Original CR/AA No.	Original CR/AA Date	Original CR/AA Amount	Total Previous Change Orders	Change Amount Including this Order	Total Change Order Percentage

MWBE INFORMATION- Prime and Subcontractors use this section for low bid contracts greater than \$50,000 but less than \$70,000.

Indicate Amount to Each Group	African-American	Hispanic	Caucasian-Female	Other Minority	MWBE Certification Number
\$	\$	\$	\$	\$	

Approval: Approved as being in accordance with the Budget and Chapter 2 of the Dallas City Code.

By Department Director

*Winnie Winters*  
8-16-13  
DATE

Approved as to form by City Attorney

*Christine Lenna*  
8-18-13  
DATE

### RECEIVED

JUL 31 2013

Original - City Secretary  
PKR FINANCE

By Assistant City Manager

*Dan Huerta*  
8/19/13  
DATE

Max W. Wells, President  
Park and Recreation Board

*Carl Paul Secretary*  
REV 09/2012

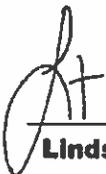
**NOTICE**

**FILE NUMBER** 136622

**THE ATTACHED ADMINISTRATIVE ACTION OR CHANGE ORDER WAS  
SUBMITTED AND ASSIGNED A FILE NUMBER AS IT APPEARS TO BE  
COMPLETE.**

**VALIDATED BY**   
**PRINTED NAME** Biterae Johnson

**DATE RETURNED** OCT 28 2013

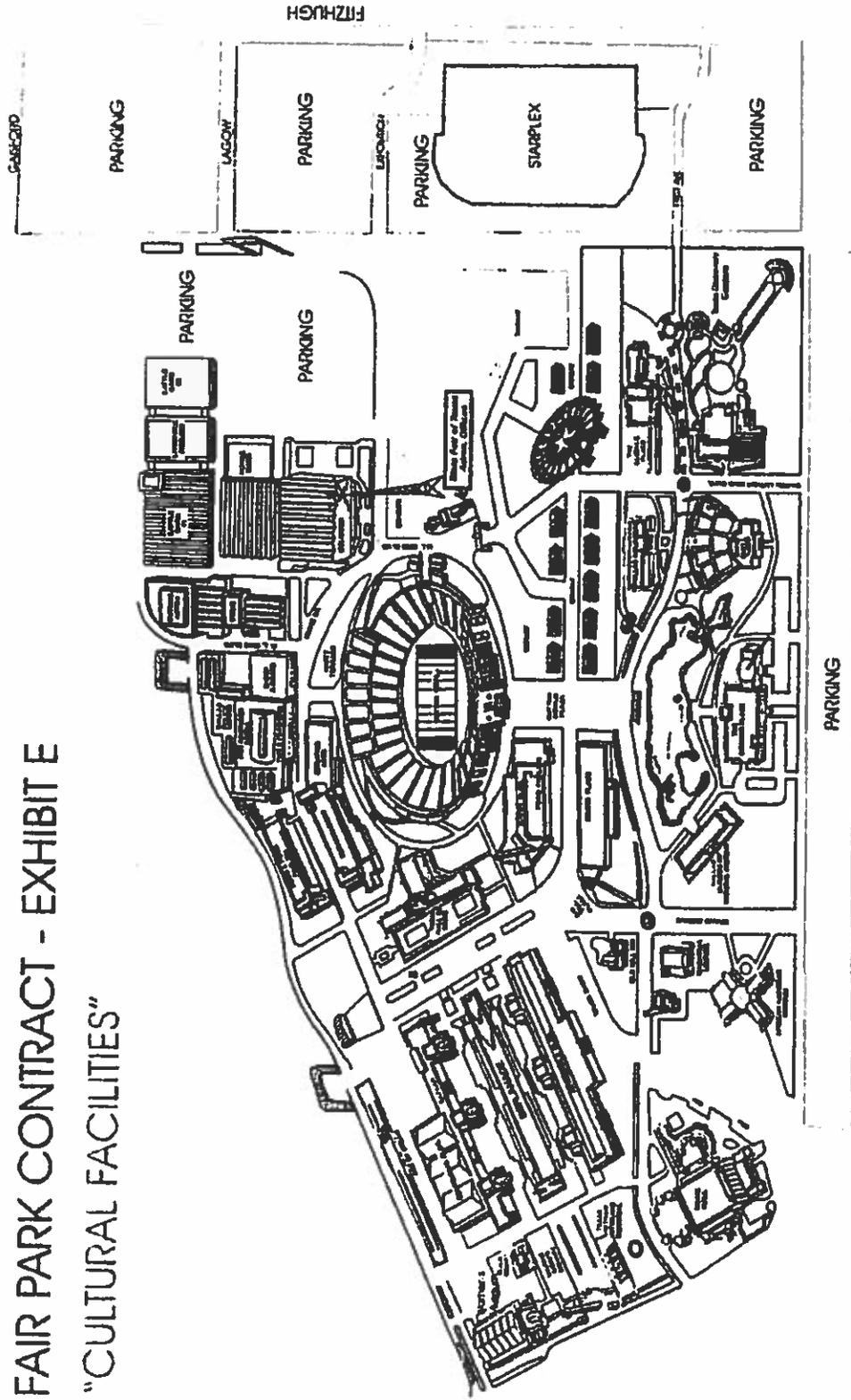
**PREPARED BY**   
Lindsay Thomas

**[THE CITY SECRETARY'S OFFICE HAS NO KNOWLEDGE OF THE PREPARATION  
OF THIS DOCUMENTATION; PLEASE DIRECT ANY INQUIRIES TO THE  
INITIATING DEPARTMENT. THANKS!]**

**CITY SECRETARY**

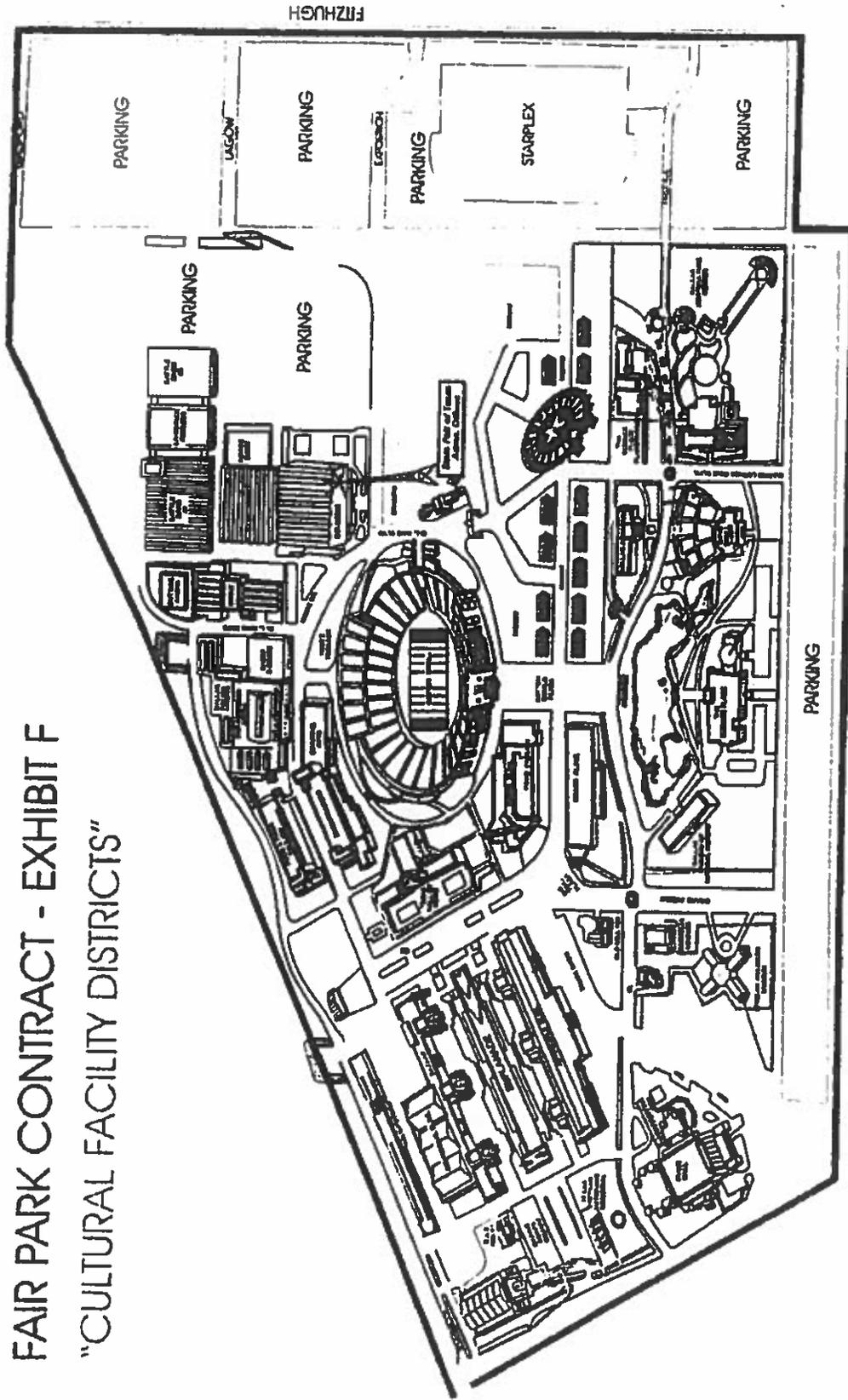
**EXISTING**

**FAIR PARK CONTRACT - EXHIBIT E  
"CULTURAL FACILITIES"**



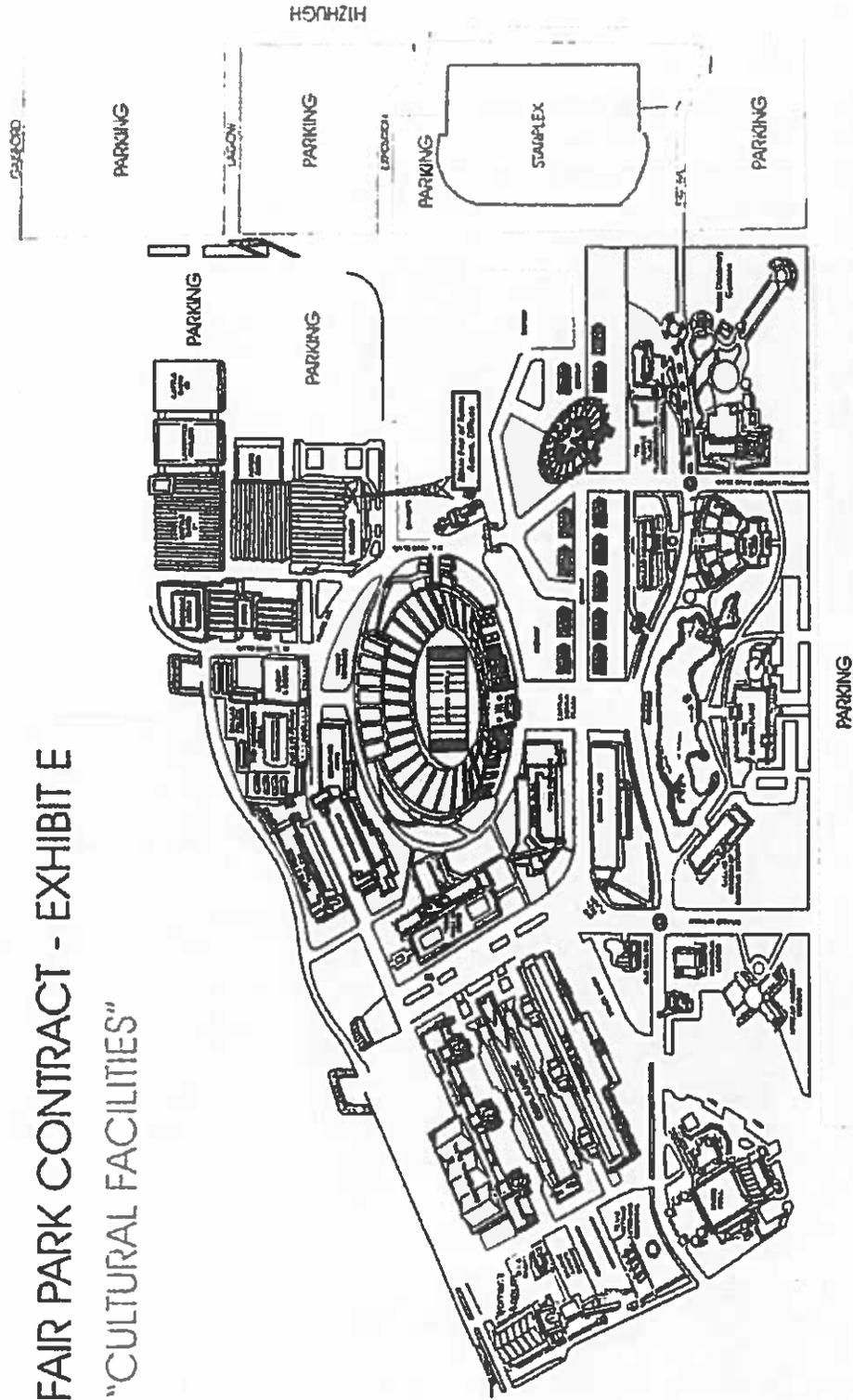
**EXISTING**

**FAIR PARK CONTRACT - EXHIBIT F**  
**"CULTURAL FACILITY DISTRICTS"**



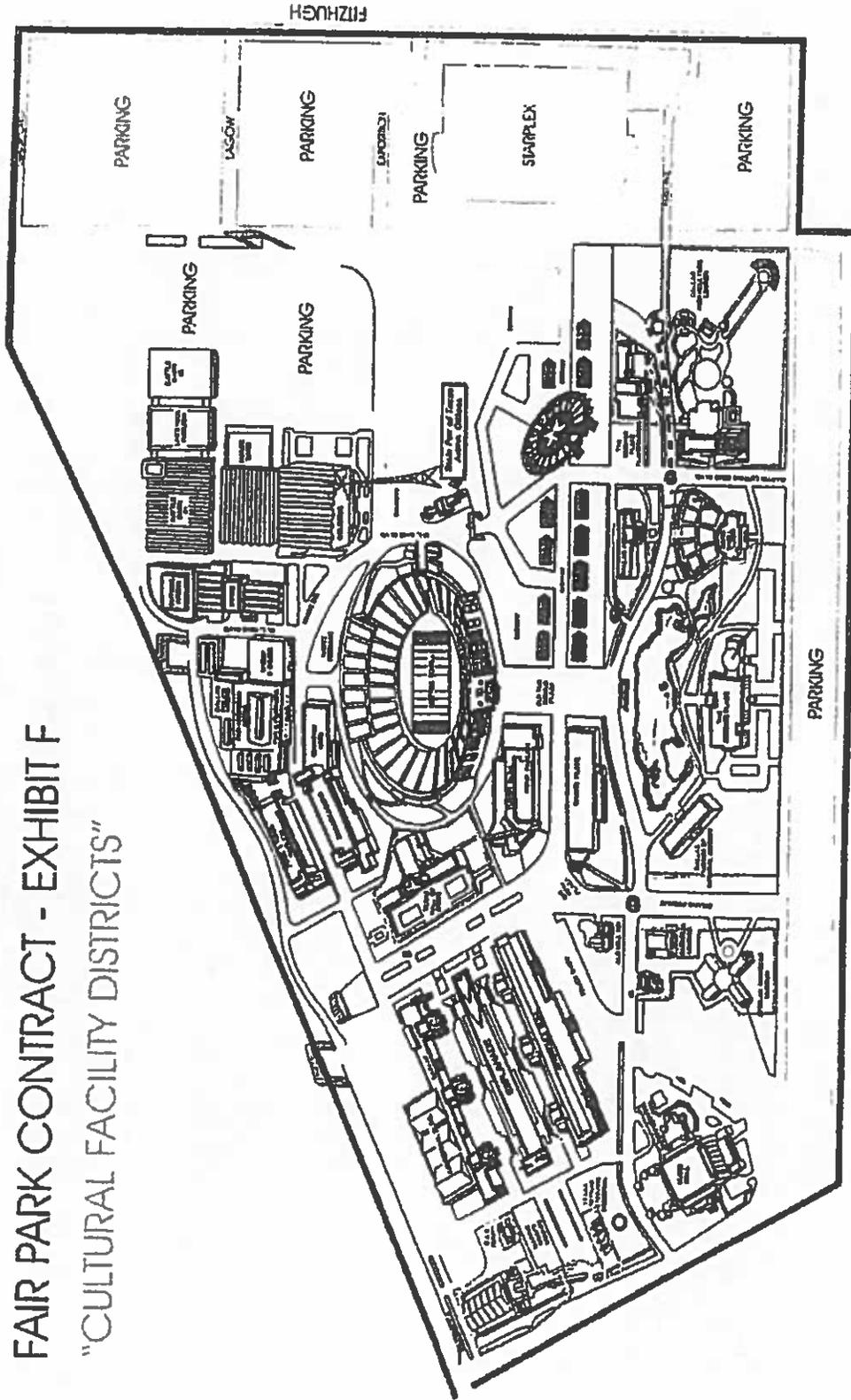
**PROPOSED**

**FAIR PARK CONTRACT - EXHIBIT E**  
**"CULTURAL FACILITIES"**



**PROPOSED**

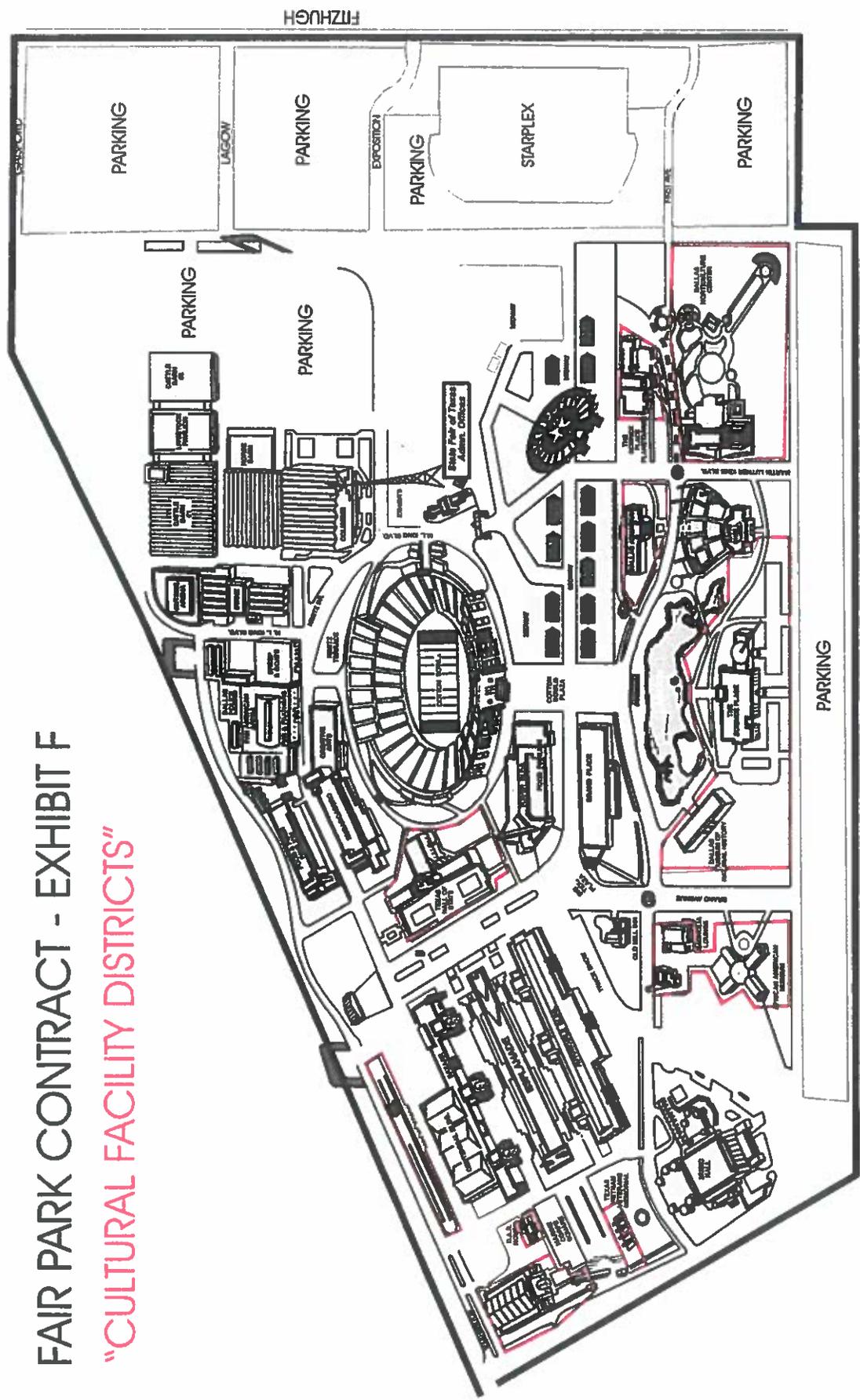
**FAIR PARK CONTRACT - EXHIBIT F**  
**"CULTURAL FACILITY DISTRICTS"**





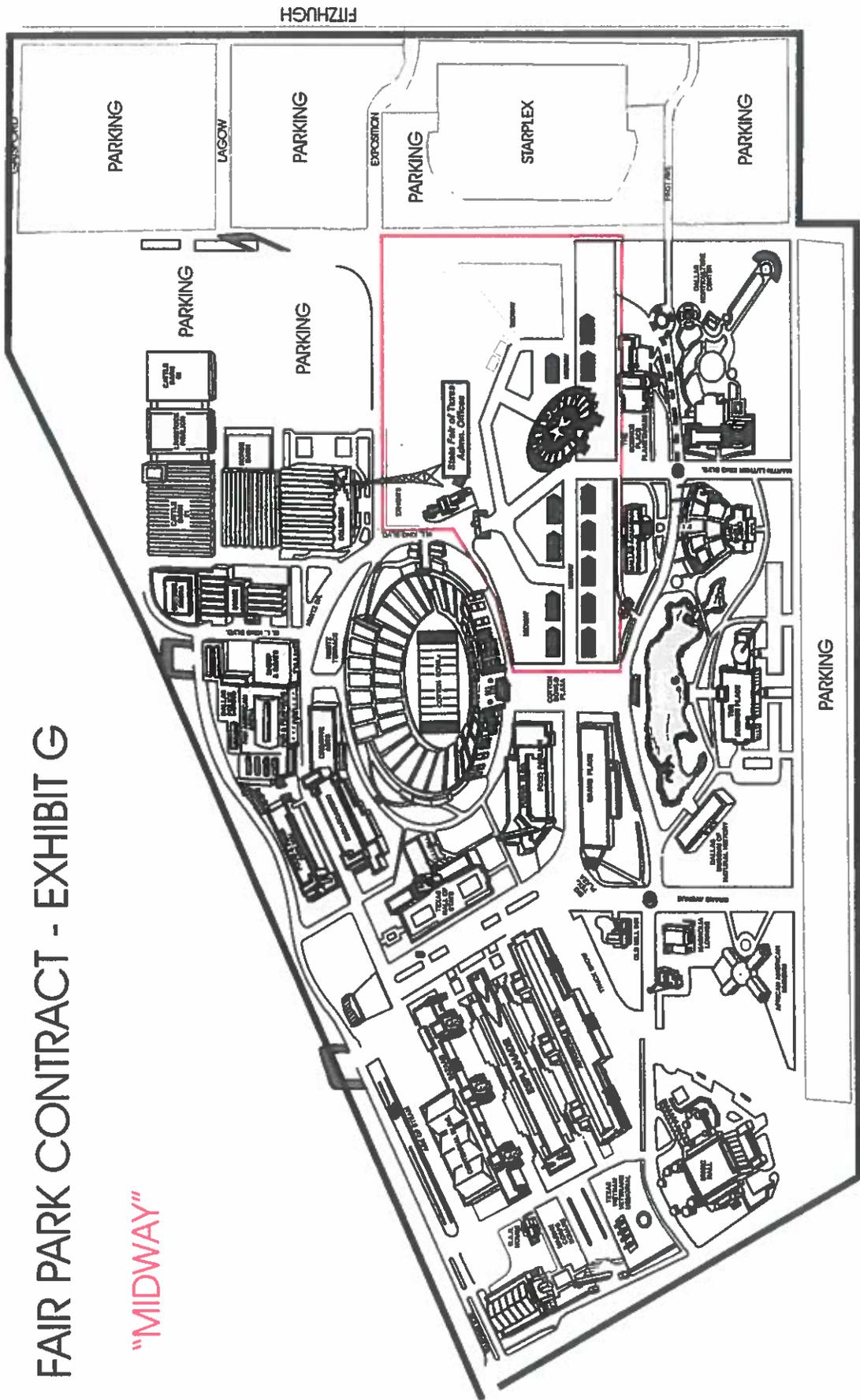
# FAIR PARK CONTRACT - EXHIBIT F

## "CULTURAL FACILITY DISTRICTS"



# FAIR PARK CONTRACT - EXHIBIT G

"MIDWAY"



## EXHIBIT "H"

### INSURANCE REQUIREMENTS

SECTION A. Prior to the approval of this agreement by the CITY, STATE FAIR OF TEXAS (STATE FAIR) shall procure, pay for and maintain the following insurance written by companies approved by the State of Texas and acceptable to CITY. The insurance shall be evidenced by delivery to the CITY, at the address shown in Required Provisions b.(i), certificates of insurance executed by the insurer or its authorized agent stating coverages, limits, expiration dates and compliance with all applicable required provisions. Upon request, the CITY shall be entitled to receive without expense, copies of the policies and all endorsements. CITY HAS NO DUTY TO PAY OR PERFORM UNDER THIS CONTRACT OR AGREEMENT UNTIL SUCH CERTIFICATE HAS BEEN DELIVERED TO THE CITY and no officer or employee shall have authority to waive this requirement.

SECTION B. The CITY reserves the right to review the insurance requirements of this section during the effective period of the contract and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Management Division of the Human Resources Department based upon economic conditions, recommendation of professional insurance advisors, changes in statutory law, court decisions or other relevant factors. The STATE FAIR agrees to make any reasonable request for deletion, revision or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either party to the contract or upon the underwriter of any such policy provisions). Upon request by CITY, STATE FAIR shall exercise reasonable efforts to accomplish such changes in policy coverages and shall pay the cost thereof. At the request of STATE FAIR, CITY will review the required insurance and make reasonable changes that may be necessary due to changes in conditions that would affect this insurance.

### INSURANCE COVERAGE REQUIRED

SECTION C. Subject to STATE FAIR's right to maintain reasonable deductibles, STATE FAIR shall obtain and maintain in full force and effect for the duration of this agreement and any extension hereof, at STATE FAIR's sole expense, insurance coverage in the following type(s) and amounts:

1. Workers' Compensation with statutory limits; Employers Liability with minimum limits for bodily injury: a) by accident, \$100,000 per each accident; b) by disease, \$100,000 per employee with a per policy aggregate of \$500,000.
2. Business Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury (including death) and property damage limit of \$500,000 per occurrence.

3. Commercial General Liability Insurance with respect to:

- a. "State Fair Permanent Areas", "State Fair Seasonal Areas", and adjacent Parking Areas as defined in the attached contract:

Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of \$1,000,000 per occurrence, \$2,000,000 general aggregate.

- b. "Fair Park" during "Period of the Fair" and "Midway" Area during all periods as defined in the attached contract:

Premises/Operations (including the operation and use of all Amusement Rides), Personal & Advertising Injury, Products/Completed Operations, Independent Contractors and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of \$10,000,000 per occurrence, \$20,000,000 general aggregate. Coverage shall include Liquor Liability with a minimum limit of \$2,000,000 per occurrence and Fire Legal Liability with a minimum limit of \$500,000. Coverage can be obtained through the purchase of one or more policies.

REQUIRED PROVISIONS

STATE FAIR agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, the following required provisions:

- a. Name the City of Dallas and its officers, employees and elected representatives as additional insureds to all applicable coverages.
- b. State that coverage shall not be canceled, nonrenewed or materially changed except after thirty (30) days written notice by certified mail to: (i) Park and Recreation, Attention: Eddie C. Hueston, Executive General Manager, Fair Park, P.O. Box 159090, Dallas, Texas 75325 and (ii) Assistant Director, Risk Management Division, Human Resources Department, 1500 Marilla, 6A-South, Dallas, Texas 75201.
- c. Waive subrogation against the City of Dallas, its officers and employees, for bodily injury (including death), property damage or any other loss.
- d. Provide that the STATE FAIR's insurance is primary insurance as respects the CITY, its officers, employees and elected representatives as it relates to the services provided by the STATE FAIR under this agreement.
- e. Provide contractual liability coverage sufficient to include coverage for the obligations of the STATE FAIR arising under this agreement.

- f. Ensure that all certificates of insurance identify the service or product being provided and the name of responsible City department shown in required provisions b.(i) as the Certificate Holder.

SECTION D. (1) Without limiting any of the other obligations or liabilities of the STATE FAIR, the STATE FAIR shall require all concessionaires, ride operators, exhibitors, talent acts, sponsors, vendors and other subcontractors to maintain levels of insurance that are appropriate for their services and consistent with industry standards. (2) The STATE FAIR shall obtain and monitor the certificates of insurance from each subcontractor. The STATE FAIR must retain the certificates of insurance for a minimum of five years following the termination of the contract between the STATE FAIR and each subcontractor. The STATE FAIR shall have the responsibility of enforcing insurance requirements among its subcontractors. The CITY shall be entitled, upon request and without expense, to receive copies of these certificates.

SECTION E. Approval, disapproval or failure to act by the CITY regarding any insurance supplied by the STATE FAIR or its subcontractors shall not relieve the STATE FAIR of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency nor denial of liability by the insurance company exonerate the STATE FAIR from liability.



CITY OF DALLAS

# ADMINISTRATIVE ACTION

See Administrative Directive 4-5 [Sections 6 Through 11] for Additional Guidelines and Routing

ADMINISTRATIVE ACTION

## 176482

EFFECTIVE DATE

AUG 10 2017

CITY SECRETARY  
DALLAS, TEXAS

2017 AUG 18 PM 12: 26

RECEIVED

1. Place an "X" in the appropriate box, complete and submit this form for the approval of:

- a. Low bid contracts of not more than \$70,000
- b. Change orders for low bid contracts: \$50,000 or less (may not increase original contract price by more than 25%)
- c. Professional / Personal / Planning / Other Service contracts: \$50,000 or less.
- d. Amendments to non-bid contracts: \$50,000 or less, per City Code Sec. 2-34
- e. WRR-FM expenditures: \$50,000 or less per City Code Sec. 2-79(C) of the City Code.
- f. Other (explain on attachment) (MOU)

2. Attach all supporting documents including bid information as required. Approval shall be obtained before services are rendered.

3. Is this expenditure related to a construction project?  Yes  No

4. Any Administrative Actions to this vendor in the last 12 months? (If yes attach explanation)  Yes  No

5. Is Form 1295 - Certificate of Interested Parties required to comply with House Bill 1295 attached (if applicable)?  Yes  No

Vendor Name: State Fair of Texas Vendor No. 078069

Subject: Memorandum of Understanding between the City of Dallas and the State Fair of Texas Department: Park and Recreation Department

Action Requested: Authorize a Memorandum of Understanding between the State Fair of Texas and the City of Dallas. The MOU will confirm the parties' understanding and application of certain provisions and terms of the Fair Park contract between the City and State Fair and does not modify, alter or amend the original Fair Park contract. Contact: Daniel Huerta (214) 670-8483.

Contract Number: PKR-2017-00002827 Contract Term: 6/28/2017 To 12/31/2028

Background: City Council Resolution 02-2404 authorized a 25 year contract with the State Fair of Texas, with two (2) five-year extensions. The Memorandum of Understanding was developed in response to the City Auditor's Recommendation V in the "Audit of Fair Park Business Partners Oversight" report of May 13, 2016.

FUND	DEPT	UNIT	ACTV	OBJ	PROGRAM	ENCUMBRANCE	AMOUNT
N/A	N/A			N/A		PKR-2017-00002827	\$0.00
<b>TOTAL:</b>							<b>\$0.00</b>

Project No: Commodity Code: N/A Financing: No Cost Consideration To City

Change Order No.	Original CR/AA No.	Original CR/AA Date	Original CR/AA Amount	Total Previous Change Orders	Change Amount Including this Order	Total Change Order Percentage
						%

M/WBE INFORMATION - Prime and Subcontractors use this section for low bid contracts greater than \$50,000 but less than \$70,000.

Indicate Amount to Each Group:	African-American	Hispanic	Caucasian - Female	Other Minority	MWBE Certification Number
	\$	\$	\$	\$	

APPROVAL: Approved as being in accordance with the budget and Chapter 2 of the Dallas City Code.

*[Signature]* 8-09-17  
By Department Director DATE

*[Signature]* 8-15-2017  
Approved as to form by City Attorney DATE

*[Signature]*  
Robert Abtahi, President  
Park and Recreation Board

*[Signature]*  
By Assistant City Manager

8/10/17  
DATE

*[Signature]*  
Secretary  
Park and Recreation Board

**MEMORANDUM OF UNDERSTANDING**  
*between*  
**CITY OF DALLAS**  
*and*  
**STATE FAIR OF TEXAS**

This Memorandum of Understanding (“MOU”) is between the **CITY OF DALLAS** (the “City”), a Texas municipal corporation, acting by and through its Park and Recreation Board, and the **STATE FAIR OF TEXAS**, a Texas nonprofit corporation (the “State Fair”). This MOU will confirm the parties’ understanding and application of provisions and terms of the Fair Park Contract between the City and State Fair and is not meant to modify, alter or amend the Fair Park Contract.

**BACKGROUND**

The City and State Fair entered into a contract, authorized by City Council Resolution Number 02-2405 and approved by City Council on August 28, 2002 and executed on May 21, 2003 (“Fair Park Contract”) for a term of 25 years with two (2) five-year extensions, to provide for the use of the City’s Fair Park for the annual State Fair of Texas Exposition and to further the year round operation of Fair Park and the enhancement, development and improvement of Fair Park as a public entertainment facility, tourist attraction, campus for cultural facilities and public park. The City and State Fair entered into four amendments to the Fair Park Contract, and, with the exception of the Second Amendment that expired on October 21, 2013, the Fair Park Contract and its amendments shall be construed together as a single contractual agreement.

**PURPOSE**

The purposes of this MOU is to (i) respond to the Office of the City Auditor’s recommendation made in its May 13, 2016 audit report (Report No. A16-009) with respect to the Fair Park Contract requirements regarding “*Application of Excess Revenues*”; and (ii) clarify the contract terms in Section 11.01 captioned “**ALLOCATION OF NET REVENUES**” of the Fair Park Contract, namely to establish a clear definition for the text set forth therein “excess of its revenues, less its expenses” and “all reasonable and prudent reserves”, to ensure the City can readily verify the reasonableness of the amounts available for the development and enhancement of Fair Park and the Fair (on major maintenance and capital expenditures).

**AUDIT REPORT**

In its May 13, 2016 audit report (Report No. A16-009), the Office of the City Auditor states the following in the section subtitled “State Fair of Texas Contract Requirements Regarding “*Application of Excess Revenues*” Are Not Clear” (page 14 of report):

“The State Fair of Texas (State Fair) contract does not clearly define “*Application of Excess Revenues*”. Without a clear definition of “*excess of its revenues less its expenses*” and “*all reasonable and prudent reserves*”, the City cannot readily verify the reasonableness of the amounts determined by the State Fair as available for the development and enhancement of Fair Park.”

The report immediately goes on to quote the section of the Contract in question:

*“Contract Section XI.11.01 states: “The State Fair agrees to expend the excess of its revenues, less its expenses and after all reasonable and prudent reserves [emphasis added] are funded, on major maintenance and capital expenditures, which State Fair agrees to use for the development and enhancement of Fair Park and the Fair, using as a reference guide the mutually agreed upon Long Range Plan.” This section does not specify whether the source of information is from audited or unaudited financial statements. In addition, the lack of definition of “all reasonable and prudent reserves” gives the State Fair sole discretion in the determination of “reasonable and prudent.””*

The Office of the City Auditor then references the National Association of State Auditors, Comptrollers and Treasurers (NASACT) Best Practices in Contracting for Services, to state “contract provisions should clearly state and define the scope of work, contract terms, allowable renewals, and procedures for any changes and provide for specific measurable deliverables and reporting requirements, including due dates etc.”

The Office of the City Auditor then makes the following recommendation (“Recommendation V”):

“We recommend the Director of PKR [Park and Recreation Department] works with the City Attorney’s Office and the State Fair to develop and agree on a contract definition that is sufficiently clear to allow PKR to verify the reasonableness of the amounts determined by the State Fair as available for the development and enhancement of Fair Park.”

In response to the Audit Recommendation, the City, by and through the PKR management submitted its response in agreement with the Audit Recommendation substantially in pertinent part as follows:

- **“Corrective Action plan: PKR** will work with the City Attorney’s Office and State Fair of Texas to clarify the definition of excess revenues in the existing executed contract.
- **Implementation date:** March 31, 2018
- **Responsible Manager:** Fair Park General Manager”

### CLARIFICATION OF CONTRACTUAL TERMS

Article XI “ALLOCATION OF NET REVENUES”, Section 11.01 “Application of Excess Revenues” of the Fair Park Contract states: “The State Fair agrees to expend the excess of its revenues, less its expenses and after all reasonable and prudent reserves are funded, on major maintenance and capital expenditures, which State Fair agrees to use for the development and enhancement of Fair Park and the Fair, using as a reference guide the mutually agreed upon Long Range Plan.”

The parties agree that “excess of its revenues, less its expenses and after all reasonable and prudent reserves are funded” (“Net Revenues”) is understood by the parties to be derived as follows:

1. **“excess of its revenues, less its expenses”** refers to and means the line item from the State Fair’s annual audited financial statements, prepared in accordance with generally accepted accounting principles (GAAP), Statement of Activities titled “Excess of revenues over expenses” or any comparable statement or line item titled “Excess of revenues over expenses” should future State Fair annual audited financial statements no longer include a Statement of Activities and/or line item titled “Excess of revenues over expenses.”

2. **“reasonable and prudent reserves”** refers to and means State Fair’s then current “Reserve Fund” policy, which as of the date of this MOU is calculated to approximate 25% of the average for the five (5) year period preceding the current audited year of the line item from the State Fair annual audited financial statements, prepared in accordance with generally accepted accounting principles (GAAP), Statement of Activities titled “Total expenses” or any comparable statement or line item titled “Total expenses” should future State Fair annual audited financial statements no longer include a Statement of Activities and/or line item titled “Total expenses”. State Fair has represented to the City that its Reserve Fund Policy follows the guidelines set forth by the National Council of Nonprofits and the Nonprofit Operating Reserves Initiative (NORI) whitepaper titled “Maintaining Nonprofit Operating Reserves.”

The parties agree that “Total expenses” as described above is the equivalent of the term “expenses” set forth in the Fair Park contract. And, said “expenses” means all allowable expenses pursuant to GAAP, including but not limited to, the anticipated expenditures by the State Fair for Cultural Facilities and Community Outreach Programs (inclusive of scholarship programs) as presented annually by State Fair to City in accordance with Section 11.02 “Proposed Projects” of the Fair Park Contract.

“reasonable and prudent reserves” are recognized as a net asset in the State Fair’s annual audited financial statements on the Statements of Financial Position, on the line titled “Unrestricted [Net assets]” which specifies the amount of Board-designated funds, and also is described in the Notes to Financial Statements under “Summary of Significant Accounting Policies” in “Net Assets / Unrestricted Net Assets”

The parties also agree on the necessity of nonprofit organizations to set aside defined cash or revenue reserves to stabilize a nonprofit’s finances against unexpected events and loss of income. The City and State Fair emphasized this point in the negotiated provisions of Section 9.02 “Reserve Fund” of the Fair Park Contract, whereby it says, “to ensure the future operation of the annual fair”, the State Fair is required “to maintain a reserve fund of at least \$4,500,000”. The parties further acknowledge State Fair generates its revenues in a 24-day period window and therefore its revenues for carrying out its operating purpose and community outreach mission under the Fair Park Contract are uniquely vulnerable to excessive weather-related events, as well as other business interruptions such as public health issues, public safety concerns and extraordinary or catastrophic events which need to be bolstered by “reasonable and prudent reserves.” Accordingly, the parties acknowledge that the sufficiency of “reasonable and prudent reserves” for State Fair may change from time to time, and State Fair’s Board of Directors will periodically review its “Reserve Fund” policy and make reasonable adjustments in accordance with best practices for nonprofit organizations; provided, that the State Fair’s “reasonable and prudent reserves” shall comply with Section 9.02 “Reserve Fund” of the Fair Park Contract.

3. **“are funded”** refers to and means the difference between the current year’s reasonable and prudent reserve balance and the reasonable and prudent reserve balance the year preceding the current year, and any deficit would require “funding” out of State Fair’s “excess revenues, less expenses”. For purposes of this MOU, upon the initiation year this Memorandum becomes effective, the “Reasonable and prudent reserves” calculation needs to be performed for both the current year and prior year.

Therefore, in accordance with all of the foregoing understandings in sections 1-3 of this MOU, the parties agree that “revenues, less its expenses and after all reasonable and prudent reserves are funded” constitutes the meaning of the term “Net Revenues” for purposes of this MOU. The Board must designate yearly the amount of “reasonable and prudent reserves” as calculated in the current year from unrestricted net assets.

4. **“major maintenance and capital expenditures”** The parties agree “Net Revenues”, less the amount agreed to by the parties to be spent on capital expenditures pursuant to Section 11.03 of the Fair Park Contract, is allocated solely towards major maintenance projects. The parties acknowledge that major maintenance projects shall hereafter be expanded to allow for them to be undertaken by either the City or State Fair in accordance with the final schedule agreed to by the parties and delivered to the Director of the City’s Park and Recreation Department or his or her designee (hereinafter referred to as “PKR Director”) on or before April 30th of each year of the Fair Park contract (the “Final Schedule”).

Pursuant to the Final Schedule, State Fair shall earmark that portion of Net Revenues allocated by the parties for major maintenance projects agreed to be undertaken by the City and not State Fair (hereinafter referred to as City-designated major maintenance projects”), and the State Fair shall deposit said Net Revenues into a State Fair restricted account known as the “Fair Park Improvement Fund”. The parties agree that the City shall have sole control to request funds from the Fair Park Improvement Fund for undertaking the agreed-upon City-designated major maintenance projects. The parties agree that the City shall only be responsible for undertaking the City-designated major maintenance projects, while State Fair is solely responsible for undertaking those State Fair designated major maintenance projects agreed to by all the parties and all capital expenditure projects for State Fair property and leasehold improvements within Fair Park, all in accordance with the Final Schedule.

Furthermore, and in accordance with Section 11.03 “City Approval” of the Fair Park Contract, which states, “No major maintenance projects may be pursued without the PKR Director’s advance review and written approval”, the parties agree that upon execution of this MOU, the designation on the Final Schedule of which major maintenance projects are to be undertaken by State Fair shall be subject to City’s advance review and written approval by and through the PKR Director. The inclusion and undertaking of capital expenditures shall be subject to the coordinated review of the parties; provided, however, that once the PKR Director has approved the City Allocation, defined herein, the balance of Net Revenues shall be allocated and deemed approved for State Fair’s capital expenditure projects.

The parties further agree that notwithstanding that Section 11.02 “Proposed Projects” of the Fair Park Contract appears to limit the Final Schedule to major maintenance projects which

may only be undertaken and completed by State Fair within the Final Schedule year time frame, upon execution of this MOU, the major maintenance projects and capital expenditure projects listed on the Final Schedule shall not be required to be “undertaken” within the designated Final Schedule year time frame. Instead, the parties agree that once an item is listed on the Final Schedule, the parties at their election, but with prior notice to the other party, may either (i) undertake for completion of the item within the designated Final Schedule year time frame or (ii) delay the undertaking and completion of said item when the party deems feasible and appropriate in a subsequent schedule year. Provided however, if a party elects to delay the undertaking, the electing party must set aside or cause the set aside of the allocated Net Revenues per the Final Schedule and such delay shall not prejudice subsequent year allocations. For City requested delay, State Fair will set aside the allocated net revenues for City-designated major maintenance projects (“City Allocation”) per the Final Schedule in the Fair Park Improvement Fund for the respective year and such funds will be set aside and carried-over to be available to the City in the year it elects to undertake the City-designated major maintenance project. The accrual of any portion of the City’s Allocation of Net Revenues by State Fair shall not be deemed a default under the Fair Park Contract.

To ensure the amount of the accrual is readily verifiable, beginning with the State Fair’s annual audited financial statements for the year ended December 31, 2016 and every year thereafter, the amount of funds set aside and carried over if any, will be recorded in the annual audited financial statements as a current liability on the Statements of Financial Position on the line “Accrued major maintenance projects” and further described in the Notes to Financial Statements under “Relationship with the City of Dallas”.

Lastly, the parties acknowledge that State Fair has in the past voluntarily contributed funding in excess of its obligations under the Fair Park Contract for City’s application toward major maintenance projects. Upon execution of this MOU, State Fair may continue this type of additional funding in its sole discretion during the Term without prejudice to the City or State Fair under the Fair Park Contract, including but not limited to periods when as a result of review of the project schedule and the Statement of Activities, the PKR Director and State Fair deem additional funding beneficial for major maintenance projects at Fair Park.

## **PROCESSES AND PROCEDURES**

During February of each year of the Fair Park Contract the parties agree to do the following:

- State Fair will close-out financial books on prior year.
- State Fair’s Board of Directors will determine “reasonable and prudent reserves” and establish its “Reserve Fund” policy and amount for current year that follows the guidelines set forth by the National Council of Nonprofits.
- City (through its PKR Director) and State Fair will hold an initial meeting for State Fair to present preliminary estimates of Net Revenues from the previous fiscal year.
- State Fair will present a proposed schedule of capital expenditure projects and major maintenance projects to the PKR Director (the “Preliminary Schedule”). PKR will have final approval of all major maintenance projects in the Preliminary Schedule.
- City will present its own list of proposed major maintenance projects to State Fair for review with State Fair and incorporation into the Preliminary Schedule.

- During the review of the Preliminary Schedule, State Fair and the City will initially agree which party is best suited to undertake each major maintenance project, thereby initially determining and agreeing to the City's Allocation.
- If feasible, State Fair will provide an initial portion of funding of the City's Allocation in the Fair Park Improvement Fund and such portion will be available to the City for agreed-upon City-designated major maintenance projects. Upon request State Fair shall release funds to the City.
- City will provide State Fair a written list and status report of major maintenance projects previously funded by State Fair.

During April of each year of the Fair Park Contract the parties agree to do the following:

- State Fair will receive final audited financial statements, prepared in accordance with GAAP, from its independent public accountants.
- State Fair will hold a second meeting with the City (PKR Director) to present final figures for Net Revenues from the previous fiscal year.
- State Fair will present the Final Schedule, (which shall be inclusive of major maintenance project responsible party designations, as agreed to by the parties), for written approval by PKR Director.
- Per contract terms in Section 11.02 of the Fair Park Contract, no later than April 30, State Fair will provide the final dollar amount allocated to the City for the City's Allocation. That full amount for the City's Allocation will be earmarked and made available to the City from State Fair's board designated restricted Fair Park Improvement Fund account, if it wasn't already fully-funded in February.

#### **TERM**

The term shall commence June 28, 2017 and shall continue until the termination or expiration of the Fair Park Contract, unless otherwise terminated in accordance with the terms of this MOU, or amended or extended, as agreed upon by the parties.

#### **COMPLIANCE WITH LAWS AND REGULATIONS**

This MOU is entered into subject to and controlled by the Charter and ordinances of the City of Dallas and all applicable laws, rules, and regulations of the State of Texas and the Government of the United States of America. Each party shall, during the course of performance of this MOU, comply with all applicable City codes and ordinances, as amended, and all applicable State and Federal laws, rules and regulations, as amended.

#### **CONTRACTUAL RELATIONSHIP**

The City and State Fair are independent contracting parties, and nothing contained in this MOU shall be deemed to create a partnership, joint venture, agency or employment relationship between them, nor does it grant either party any authority to assume or create any obligation on behalf of or in the name of the other. Neither party shall have any control or right of control in regard to the other party's employees, agents or independent contractors.

**GOVERNING LAW/VENUE.** This MOU shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to its conflict of law principles. If

any legal action is necessary to enforce this MOU, or for any dispute arising out of the operations or actions contemplated herein, exclusive venue shall lie in Dallas County, Texas.

**LEGAL CONSTRUCTION**

If any part of this MOU is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this MOU and the remaining part shall remain in full force and effect and the parties shall promptly negotiate to replace invalid or unenforceable portions that are essential parts of this MOU.

**AMENDMENTS**

This MOU is not subject to amendment or reformation except by written agreement executed by both parties. This MOU does not amend or reform the Fair Park Contract, but rather serves to clarify key accounting terms in Article XI and provide processes and procedures related thereto.

**SIGNATORY APPROVAL**

The undersigned parties bind themselves to performance of this MOU. It is mutually understood that this MOU shall not become effective until approved by governing bodies or authorized officials of all parties.

**COUNTERPARTS**

This MOU may be executed in multiple counterparts, each of which shall be deemed an original, but together shall constitute one and the same document.

**CONCLUSION**

The City and State Fair are committed to work together in good faith under this MOU and the Fair Park Contract to continue the development and enhancement of Fair Park and the Fair.

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[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE]

EXECUTED this the 28 day of June, 2017, by the duly authorized representatives of the City and the State Fair and the parties declare this MOU effective as of June 28, 2017.

**CITY OF DALLAS:**

APPROVED AS TO FORM:  
LARRY E. CASTO  
City Attorney

CITY OF DALLAS  
T.C. BROADNAX  
City Manager

By: Christine Lanners  
Name: Christine Lanners  
Title: Assistant City Attorney

By: Joey Zapata  
Name: Joey Zapata  
Title: Assistant City Manager

Recommended by:

WILLIS WINTERS  
Director of Parks and Recreation Department

Willis Winters

**STATE FAIR OF TEXAS:**

BY: Mitchell Gieber  
Mitchell Gieber,  
President

By: Jaime Navarro  
Jaime Navarro,  
CFO/SVP-Finance

Attachments:

State Fair Audited Financial Statements for year ending December 31, 2016

State Fair of Texas Security Plan

This agreement will set forth the mutual understanding between the State Fair of Texas ("SFT") and the City of Dallas through its Dallas Police Department ("DPD") regarding the development and implementation of a written security and traffic control plan ("Security Plan") for the annual State Fair of Texas event ("Fair") and reimbursement of costs to the City of Dallas.

Starting upon execution of this agreement, DPD and SFT agree to meet 180 days (or for the 2017 Fair, as soon as possible after this agreement is executed) prior to each annual Fair to develop the Security Plan for that year's Fair. The Security Plan will include, but not be limited to: (i) crowd control; (ii) perimeter traffic control; (iii) number of DPD officers; (iv) estimated direct costs for DPD officers other than those that would be normally provided in accordance with the practices and policies of the City of Dallas; (v) reasonable and necessary reimbursement for special services provided; and (vi) other mutually agreeable security measures for operation of the Fair.

Once the Security Plan is developed and agreed-upon, DPD will implement the plan during the twenty-four operating days of the Fair. DPD will then invoice SFT by December 31 for reimbursement for special services provided under the Security Plan and SFT will pay the invoice within 30 days.

APPROVED AS TO FORM:  
LARRY E. CASTO  
City Attorney

BY *Don Knight*  
Assistant City Attorney *AK*

CITY OF DALLAS  
T.C. BROADNAX  
City Manager

BY *Jon Fortune*  
Assistant City Manager

STATE FAIR OF TEXAS

BY *Mitchell Blair*  
Authorized Officer  
*President/State Fair of Texas*

9-28-17  
Date Signed

*Jon Fortune*  
CFO / STATE FAIR OF TEXAS

September 13, 2017

**WHEREAS**, the City of Dallas desires to enter into an agreement with the State Fair of Texas, by and through its Police Department to define duties and obligations involved with the security and traffic control plan for the annual twenty-four day run of the State Fair including the reimbursement for associated expenses; and

**WHEREAS**, it is in the best interest of the State Fair of Texas and the City of Dallas to have a safe and secure annual event for fair goers and merchants.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to sign an agreement with the State Fair of Texas, approved as to form by the City Attorney, regarding the development and implementation of a written security and traffic control plan for the annual State Fair of Texas event and the associated reimbursement of costs to the City of Dallas.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to receive and deposit State Fair revenue in Fund 0001, Department DPD, Unit 2126, Revenue Code 7547.

**SECTION 3.** That this agreement shall remain in effect until terminated by either party upon providing written notification to the other party.

**SECTION 4.** That this contract is designated as Contract No. DPD-2017-00003539.

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



October 24, 2018

**WHEREAS**, Fair Park is home to numerous resident institutions such as Dallas Summer Musicals, the Museum of African American Life and Culture, Texas Discovery Gardens, and the Children's Aquarium that are a vital part of the cultural and historic fabric of Fair Park and the City; and

**WHEREAS**, the State Fair of Texas was established in 1886, hosts one of the country's largest and longest-running fairs in the nation, celebrating all things Texan by promoting agriculture, education, and community involvement through quality entertainment in a family-friendly environment, and serves as an anchor tenant in Fair Park; and

**WHEREAS**, the City Council has approved a contract with Fair Park First for the private management and operation of Fair Park, and it is the will of the City Council and the Park and Recreation Board that the terms of certain contracts be extended to coincide with the term of the Fair Park First contract; and

**WHEREAS**, the City's contracts with the resident institutions are assignable and will be assigned upon execution of Fair Park First Management Agreement; and

**WHEREAS**, the contracts with the State Fair of Texas and Texas Department of Transportation ("TxDOT") are assignable only if consent is given; and

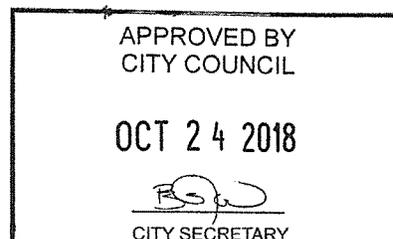
**WHEREAS**, Fair Park First and the City desire to ensure the continued productivity and enhancement of the Fair Park resident institutions and the State Fair of Texas, and Fair Park First has expressed support for working with the resident institutions, State Fair of Texas, TxDOT, and the City to ensure that the many successful activities underway at Fair Park continue.

**Now, Therefore,**

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

**SECTION 1.** The City Manager is directed to, in collaboration with Fair Park First, negotiate any necessary amendments or options to the existing Fair Park resident institutions, State Fair of Texas, and TxDOT contracts, including extending the length of the terms to coincide with the Fair Park First contract and making any other improvements to other provisions of said contracts.

**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.





**RESOLUTION OF THE CITY OF DALLAS PARK AND RECREATION BOARD  
REGARDING THE 2018 FAIR PARK MANAGEMENT PROPOSAL**

**WHEREAS**, the Dallas City Council created the Dallas Park and Recreation Board in 1905 to oversee the contractual, management and budgetary issues associated with the 1904 acquisition of Fair Park; and

**WHEREAS**, Fair Park is the largest intact concentration of 1930s-era exposition buildings and public art in the United States and one of the most significant sites in the world for Art Deco architecture; and

**WHEREAS**, Fair Park houses numerous resident institutions that must be supported, as they are a vital part of the cultural fabric of Dallas and Fair Park; and

**WHEREAS**, the State Fair of Texas is a critical asset to Dallas and should continue its 132-year tenure in Fair Park; and

**WHEREAS**, the Dallas City Council adopted a Comprehensive Development Plan for Fair Park in 2003 and in 2015 adopted the Mayor's Fair Park Task Force key recommendations, as amended by the Dallas Park and Recreation Board; and

**WHEREAS**, the Dallas Park and Recreation Board, after more than two years of engagement with Dallas civic groups, civic leaders, city officials and non-profits, adopted in 2016 terms for a management agreement for Fair Park; and

**WHEREAS**, the Dallas Park and Recreation Board fully supports using Fair Park as host locations for the 2026 World Cup and the 2036 Texas Bicentennial.

**NOW THEREFORE, BE IT RESOLVED BY THE DALLAS PARK AND RECREATION BOARD:**

**Section 1.** That the Park and Recreation Board recommends the Dallas City Council approve the Fair Park Management Proposal with the following modifications:

1. The non-profit manager, Fair Park First, must amend their contract in a manner that accomplishes the following changes:
  - a. The board must be restructured to be inclusive of the surrounding neighborhood, with a diverse group of community and civic-minded members who are experienced, respected fundraising leaders possessing the ability to effectively solicit capital from the private sector, while leveraging additional funding from the public sector and consist of not less than 13 members.
  - b. The board must act as an effective oversight body for the subcontractor, Spectra, to ensure that the best interests of the surrounding neighborhood—and the City of Dallas as a whole—are of the utmost importance. This includes, but is not limited to, the strict prohibition of any board member receiving a financial benefit from serving on the board, or serving as a board member, officer, director, or be an employee of, any organization that receives a financial benefit from Fair Park First.
  - c. At least ten percent of the board members shall be individuals who reside in the area bounded on the east by White Rock Creek, on the north by I-30, on the west by I-45, and the south by US-175.
  - d. The non-profit manager shall submit its performance indicators to the Dallas Park and Recreation Board for ratification. So long as the City fulfills its Annual Appropriation, any obligations of Manager to implement a Remediation Plan shall not be relieved due to a lack of funds.
  - e. The non-profit manager shall hire an executive director and staff.
  - f. The non-profit manager and all its subcontractors must pay employees at a wage rate not less than \$10.94 per hour, with annual adjustments in accordance with Dallas City Council Resolution 152141.
  - g. The non-profit manager shall complete the design of the Neighborhood Park by the third anniversary of the Contract, shall apply for all permits required to construct the Neighborhood Park as designed within 42 months after the date of the Contract, shall commence construction promptly after issuance of such permits, and diligently pursue construction thereafter to completion within 18 months after issuance of such permits.

- h. The phrase "so long as Manager is performing its management obligations with respect to Fair Park in accordance with the standards set forth in this Agreement" and similar phrases that appear in, among other places, Sections 3.01(b) and 13.01, shall provide that the management obligations and standards include all affirmative obligations of Fair Park First, including, but not limited to, the obligation to fulfill its Performance Plan under Section 4.03, the obligation to maintain and care for Fair Park under Section 4.19, the obligation to make the Annual Internship Investment under Section 4.23, the obligation to design and construct the Neighborhood Park under Section 6.17, the obligation to pay the Fair Park Living Wage under Sections 4.11(b) and 6.04, the obligation to comply with the City's MWBE contracting rules, and the continuous operations provisions of Section 4.06.
- i. If the non-profit manager and the city are unable to agree on the 11<sup>th</sup> year Annual Appropriation, the 11<sup>th</sup> year Annual Appropriation shall be the lesser of the average operating deficit for the previous three years or the 10<sup>th</sup> year Annual Appropriation indexed to CPI.
- j. The non-profit manager shall maintain reserves for Fair Park Management in an amount not less than six months' average Operating Expenses and not more than nine months' average Operating Expenses. Further, the non-profit manager shall create a Fair Park Capital Improvement Fund for all funds received in excess of Operating Expenses and reserves for Fair Park Management.
- k. The Fair Park Capital Improvement Fund shall be used for the implementation of the Fair Park Capital Improvement Plan. No City funds shall be used for the Fair Park Capital Improvement Plan until the Fair Park Capital Fund is first exhausted. The non-profit manager shall submit the Fair Park Capital Improvement Plan to the Dallas Park and Recreation Board for approval.
- l. The non-profit manager must fulfill its financial obligations to Fair Park resident institutions so long as the City fulfills its Annual Appropriation.
- m. To ensure the Dallas Park and Recreation Board fulfills its obligations under the Dallas City Charter, Chapter XVII, any early termination of this contract shall be through the Park Board. Further, with regards to Alternative Dispute Resolution, any dispute that cannot be resolved by the Director shall be referred to the Park Board for resolution.

2. The Dallas City Council must put Fair Park in a position for long-term success by implementing the following recommendations:
- a. The anticipated capital needs of Fair Park should be included in any future bond allocations with matching dollars from the non-profit manager.
  - b. Capital funds should be allocated in a manner that accomplishes historic preservation, restoration of art, construction of a neighborhood park and to help the non-profit manager become successful in their mission.
  - c. The City of Dallas budget savings over the life of the non-profit manager's contract should be set aside for Fair Park major maintenance and Dallas park safety.
  - d. Current Fair Park tenants should have their contracts extended to coincide with the non-profit manager's initial term to ensure that long-term success can be the focus of all Fair Park entities' missions.
  - e. In anticipation of Fair Park revitalization, the city should implement options to mitigate the effects of gentrification in surrounding neighborhoods by exploring economic development tools such as TIFs and PIDs, and zoning options such as Historic Districts, Conservation Districts, and Neighborhood Stabilization Overlays.



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**Robert Abtahi, President**  
**Dallas Park and Recreation Board**



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**Willis C. Winters, Director**  
**Dallas Park and Recreation Department**



Agenda Information Sheet

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**File #:** 18-1387

**Item #:** 9.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 2  
**DEPARTMENT:** Department of Convention and Event Services  
**EXECUTIVE:** Joey Zapata

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**SUBJECT**

Authorize appropriations in an amount not to exceed \$10,882,465.00 in the Convention Center Hotel Tax Rebate Fund for FY 2018-2019 in order to satisfy the terms of the 2009 Economic Development Agreement with the Dallas Convention Center Hotel Development Corporation - Not to exceed \$10,882,465.00 - Financing: Convention Center Hotel Tax Rebate Fund

**BACKGROUND**

On August 1, 2009, the City of Dallas entered into an Economic Development Agreement with the Dallas Convention Center Hotel Development Corporation to provide additional security for the Dallas Convention Center Hotel Development Corporation Hotel Revenue Bonds (Series 2009 Bonds). In the agreement the City adopted an economic development program under Chapter 380 of the Texas Local Government Code to pledge and grant all revenues derived from the 6% State Hotel Occupancy Tax ("HOT") from the Omni Dallas Hotel ("Hotel") during the first ten years after initial occupancy and all revenues derived from the 6.25% State Sales Tax collected at the Hotel, including from all businesses located in the Hotel, during the first ten years after initial occupancy; and, all revenues derived from the 7% Local HOT collected at the Hotel as long as any Series 2009 Bonds (or additional bonds) remain outstanding, along with all revenues from Appropriated Grant Payments, as long as any Series 2009 Bonds (or additional bonds) remain outstanding.

This action allows the City to satisfy the terms of the Economic Development Agreement for Fiscal Year 2018-2019 by adding appropriations for the Convention Center Hotel Tax Rebate Fund.

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

On August 29, 2012, City Council appropriated \$6,880,300.00 to the Convention Center Hotel Tax Rebate Fund through a mid-year appropriation adjustment by Resolution No. 12-2257; Ordinance No. 28768.

On September 10, 2013, City Council appropriated \$9,066,200.00 to the Convention Center Hotel Tax Rebate Fund by Resolution No. 13-1646; Ordinance No. 29146.

On September 17, 2014, City Council appropriated \$9,739,400.00 to the Convention Center Hotel Tax Rebate Fund by Resolution No. 14-1568; Ordinance No. 29474.

On September 18, 2015, City Council appropriated \$10,234,400.00 to the Convention Center Hotel Tax Rebate Fund by Resolution No. 15-1784; Ordinance No. 29876.

On September 21, 2016, City Council appropriated \$10,565,500.00 to the Convention Center Hotel Tax Rebate Fund by Resolution No. 16-1526; Ordinance No. 30178.

On September 20, 2017, City Council appropriated \$10,907,600.00 to the Convention Center Hotel Tax Rebate Fund by Resolution No. 17-1505; Ordinance No. 30651.

### **FISCAL INFORMATION**

Convention Center Hotel Tax Rebate Fund - \$10,882,465.00



Agenda Information Sheet

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**File #:** 18-1218

**Item #:** 67.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 10  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

---

**SUBJECT**

Authorize a professional services contract with Dunaway Associates, L.P. for schematic design, design development, construction documents, procurement and construction observation phases for the Flag Pole Hill - Phase 1 Master Plan Implementation Project located at 8015 Doran Circle - Not to exceed \$168,050.00 - Financing: Park and Recreation Facilities (B) Fund (2017 Bond Funds)

**BACKGROUND**

This action will authorize a professional services contract with Dunaway Associates, L.P. for schematic design, design development, construction documents, procurement and construction observation phases for the Flag Pole Hill - Phase 1 Master Plan Implementation Project. The 2017 Bond Program included funding for this project.

On May 9, 2018, a Request for Qualifications (RFQ) was issued for Engineering and Landscape Architecture Consulting Services for Park Site Development Projects in the 2017 Bond Program. The Projects included in this RFQ were considered "Simple Projects" which utilize the RFQ only selection process. Dunaway Associates, L.P. was selected as the most qualified firm for this project.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Design	March 2019
Complete Design	March 2020
Begin Construction	August 2020
Complete Construction	March 2020

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

On November 15, 2018, the Park and Recreation Board authorized a professional services contract with Dunaway Associates, L.P.

Information about this item will be provided to the Quality of Life, Arts and Culture Committee on December 10, 2018.

**FISCAL INFORMATION**

Park and Recreation Facilities (B) Fund (2017 Bond Funds) - \$168,050.00

**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:

<b>Contract Amount</b>	<b>Category</b>	<b>M/WBE Goal</b>	<b>M/WBE%</b>	<b>M/WBE \$</b>
\$168,050.00	Architectural & Engineering	25.66%	25.74%	\$43,250.00
<ul style="list-style-type: none"> <li>• This contract exceeds the M/WBE goal.</li> </ul>				

**PROCUREMENT INFORMATION**

In accordance with the City of Dallas Administrative Directive 4-5 procurement guidelines, Dunaway Associates, L.P. was selected as the most qualified consultant for this project.

**OWNER**

**Dunaway Associates, L.P.**

Tom Galbreath, President

**MAP**

Attached



Agenda Information Sheet

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**File #:** 18-1255

**Item #:** 68.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 1  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize a professional services contract with Urban Engineers Group, Inc. for schematic design, design development, construction documents, procurement and construction observation phases for Elmwood Trail Phase Three located north of the existing Elmwood Parkway Trail Phase One - Not to exceed \$238,815.00 - Financing: Park and Recreation Facilities (B) (2017 Bond Funds)

**BACKGROUND**

This action will authorize a professional services contract with Urban Engineers Group, Inc. for Elmwood Trail Phase Three. This contract will provide professional services for all phases of the project, including schematic design, design development, construction documents and construction observation services.

On May 9, 2018, a Request for Qualifications (RFQ) was issued for Engineering and Landscape Architecture Consulting Services for Park Site Development Projects in the 2017 Bond Program. The Projects included in this RFQ were considered "Simple Projects" which utilize the RFQ only selection process. Urban Engineers Group, Inc. was selected as the most qualified consultant for this project.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Design	January 2019
Complete Design	July 2019
Begin Construction	October 2019
Complete Construction	October 2020

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

On November 15, 2018, the Park and Recreation Board authorized a professional services contract with Urban Engineers Group, Inc.

Information about this item will be provided to the Quality of Life, Arts and Culture Committee on December 10, 2018.

**FISCAL INFORMATION**

Park and Recreation Facilities (B) (2017 Bond Funds) - \$238,815.00

**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:

<b>Contract Amount</b>	<b>Category</b>	<b>M/WBE Goal</b>	<b>M/WBE%</b>	<b>M/WBE \$</b>
\$238,815.00	Architectural & Engineering	25.66%	95.73%	\$228,615.00
<ul style="list-style-type: none"> <li>• This contract exceeds the M/WBE goal.</li> </ul>				

**PROCUREMENT INFORMATION**

In accordance with Administrative Directive 4-5, Urban Engineers Group, Inc. was selected by the Request for Qualifications process and identified as the most qualified consultant, due to their previous programming, public input and schematic design work for previous phases of the Elmwood Parkway Trail, the most recent completed in 2016 which extended the trail from just north of Illinois Avenue south to Kiest Park.

**OWNER**

**Urban Engineers Group, Inc.**

Faisal Syed, P.E., President

**MAP**

Attached



Agenda Information Sheet

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**File #:** 18-1264

**Item #:** 69.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 9  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the city of Dallas for the period October 1, 2018 through September 30, 2019 - Not to exceed \$394,098.00 - Financing: General Fund

**BACKGROUND**

On March 23, 1988, the City entered into a multi-year agreement with the Dallas Arboretum and Botanical Society, Inc. (DABS), a non-profit organization, to manage and operate the Dallas Arboretum. On February 27, 2013, the agreement was extended for ten more years. The agreement with DABS requires the execution of a separate funding contract to authorize the stipend payable during the current year. The funds have been identified and appropriated in the City's General Fund for FY 2018-2019.

The stipend payment will help provide access to the general public, special educational programs, community outreach services and special events. DABS will distribute 24,000 complimentary tickets for entry into the Dallas Arboretum grounds as approved by the Park and Recreation Board.

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

On November 21, 2013, the Park and Recreation Board authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc.

On December 11, 2013, City Council authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the City of Dallas for the period October 1, 2013 through September 30, 2014, by Resolution No. 13-2065.

On October 2, 2014, the Park and Recreation Board authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc.

On November 12, 2014, City Council authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the City of Dallas for the period October 1, 2014 through September 30, 2015, by Resolution No. 14-1906.

On October 15, 2015, the Park and Recreation Board authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc.

On November 10, 2015, City Council authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the City of Dallas for the period October 1, 2015 through September 30, 2016, by Resolution No. 15-2075.

On November 17, 2016, the Park and Recreation Board authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc.

On December 14, 2016, City Council authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the City of Dallas for the period October 1, 2016 through September 30, 2017, by Resolution No. 16-1933.

On November 16, 2017, the Park and Recreation Board authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc.

On December 13, 2017, City Council authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc. to provide services and programs within the City of Dallas for the period October 1, 2017 through September 30, 2018, by Resolution No. 17-1884.

On November 1, 2018, the Park and Recreation Board authorized a twelve-month funding agreement with the Dallas Arboretum and Botanical Society, Inc.

Information about this item will be provided to the Quality of Life, Arts and Culture Committee on December 10, 2018.

### **FISCAL INFORMATION**

General Fund - \$394,098.00

### **OWNER**

#### **Dallas Arboretum and Botanical Society, Inc.**

Mary Brinegar, President and Chief Executive Officer  
Mark Wolf, Chairman  
Alan Walye, Vice Chairman  
John Cuellar, Secretary  
Will McDaniel, Treasurer



Agenda Information Sheet

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**File #:** 18-1269

**Item #:** 70.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 3  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas for the Cedar Ridge Preserve to provide services and programs within the city of Dallas for the period January 1, 2019 through December 31, 2019 - Not to exceed \$58,949.00 - Financing: General Fund

**BACKGROUND**

On January 24, 2018, the City Council authorized a five-year management, maintenance and operating agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas (to manage, maintain and operate the Cedar Ridge Preserve, providing accessibility to open space properties and trails located at 7171 Mountain Creek Parkway by Resolution No. 18-0212. This agreement requires the execution of a separate funding contract to authorize the stipends payable during the current year. The funds have been identified and appropriated in the City's General Fund for FY 2018-19.

The stipend payment will help operate and maintain the Cedar Ridge Preserve for 12 months and provide access to the general public to 633 acres of escarpment and trails in Southwest Dallas, environmental education programs on the ecosystem and presentations at community centers and schools.

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

On October 2, 2014, the Park and Recreation Board authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas.

On November 12, 2014, City Council authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas for the Cedar Ridge Preserve to provide services and programs within the city of Dallas for the period January 1, 2015 through December 31, 2015, by Resolution No. 14-1904.

On October 15, 2015, the Park and Recreation Board authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas.

Information about this item was provided to the Quality of Life & Environment Committee on November 9, 2015.

On November 10, 2015, City Council authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas for the Cedar Ridge Preserve to provide services and programs within the City of Dallas for the period January 1, 2016 through December 31, 2016, by Resolution No. 15-2076.

On November 17, 2016, the Park and Recreation Board authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas.

Information about this item was provided to the Quality of Life & Environment Committee on December 12, 2016.

On December 14, 2016, City Council authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas for the Cedar Ridge Preserve to provide services and programs within the City of Dallas for the period January 1, 2017 through December 31, 2017, by Resolution No. 16-1934.

On November 16, 2017, the Park and Recreation Board authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas.

Information about this item was provided to the Quality of Life, Arts and Culture Committee on January 8, 2018.

On November 1, 2018, the Park and Recreation Board authorized a twelve-month funding agreement with Dallas County Audubon Society, Inc. dba Audubon Dallas.

Information about this item will be provided to the Quality of Life, Arts and Culture Committee on December 10, 2018.

### **FISCAL INFORMATION**

General Fund - \$58,949.00

### **OWNER**

#### **Dallas County Audubon Society, Inc. dba Audubon Dallas**

Anna Palmer, President  
Guadalupe M. Robles, Secretary  
Lynn Pierce, Vice President, Membership  
Kat Nelson, Vice President, Fundraising  
Lee Kelton, Vice President, Sanctuary  
Janet Maltons, Vice President, Programs



Agenda Information Sheet

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**File #:** 18-1258

**Item #:** 71.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize a twelve-month funding agreement with Texas Discovery Gardens to provide services and programs within the city of Dallas for the period October 1, 2018 through September 30, 2019 - Not to exceed \$145,862.00 - Financing: General Fund

**BACKGROUND**

On June 25, 2003, the City entered into a ten-year agreement with Texas Discovery Gardens, a nonprofit organization, to manage and operate the Texas Discovery Gardens building and surrounding grounds at Fair Park. On November 7, 2013, the agreement was extended for ten more years. The Management Agreement with Texas Discovery Gardens does not automatically authorize funding, therefore a separate program funding contract to authorize the stipends payable during the current year is requested. The funds have been identified and appropriated in the City's General Fund by authorization of the City Council and after approval by the Park and Recreation Board for the current fiscal year.

The stipend payments will allow Texas Discovery Gardens to provide access to the general public and community outreach services for schools, horticulture information services and presentations at community centers and special facilities for the period October 1, 2018 through September 30, 2019.

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

On December 19, 2013, the Park and Recreation Board authorized a twelve-month funding agreement with Texas Discovery Gardens.

On January 8, 2014, City Council authorized a twelve-month funding agreement with the Texas Discovery Gardens to manage the Texas Discovery Gardens facilities, provide programs and services within the city of Dallas for the period October 1, 2013 through September 30, 2014, by Resolution No. 14-0116.

On October 15, 2015, the Park and Recreation Board authorized a twelve-month funding agreement with Texas Discovery Gardens.

Information about this item was provided to the Quality of Life & Environment Committee on November 9, 2015.

On November 10, 2015, City Council authorized a twelve-month funding agreement with Texas Discovery Gardens to provide programs and services within the City of Dallas for the period October 1, 2015 through September 30, 2016, by Resolution No. 15-2077.

On November 17, 2016, the Park and Recreation Board authorized a twelve-month funding agreement with Texas Discovery Gardens.

Information about this item was provided to the Quality of Life & Environment Committee on December 12, 2016.

On December 14, 2016, City Council authorized a twelve-month funding agreement with Texas Discovery Gardens to provide services and programs within the City of Dallas for the period October 1, 2016 through September 30, 2017, by Resolution No. 16-1935.

On November 16, 2017, the Park and Recreation Board authorized a twelve-month funding agreement with Texas Discovery Gardens.

Information about this item was provided to the Quality of Life, Arts and Culture Committee on December 11, 2017.

On November 1, 2018, the Park and Recreation Board authorized a twelve-month funding agreement with Texas Discovery Gardens.

Information about this item will be provided to the Quality of Live & Environment Committee on December 10, 2018.

### **FISCAL INFORMATION**

General Fund - \$145,862.00

### **OWNER**

#### **Texas Discovery Gardens**

##### **Board of Directors**

Michael Bosco, Board Chair  
Barbara Hunt Crow, Historian  
Michelle Robberson, Secretary  
John Fox Holt III, Treasurer



Agenda Information Sheet

**File #:** 18-1221

**Item #:** 72.

**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 1  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

**SUBJECT**

Authorize an increase in the construction services contract with A S Con, Inc. to provide additional erosion control on the dam, landscape and lighting modifications at Kidd Springs Park located at 700 West Canty Street - Not to exceed \$78,579.48, from \$726,578.00 to \$805,157.48 - Financing: Park and Recreation Facilities Fund (2006 Bond Funds)

**BACKGROUND**

On September 27, 2017, City Council authorized a construction services contract with A S Con, Inc. for dam safety and shoreline improvements at Kidd Springs Park by Resolution No. 17-1551.

This action will authorize Change Order No. 1 to the construction services contract with A S Con, Inc., in an amount not to exceed \$78,579.48, from \$726,578.00 to \$805,157.48, for an increase in the contract to include additional tree removal on the dam, reinforcement, gabion mattress, rill expansion, re-routing of electrical service, cleaning and painting of light pole bases, and landscape modifications.

This change order adds 30 working days to the contract time.

**ESTIMATED SCHEDULE OF PROJECT**

Began Construction	November 2017
Complete Construction	January 2019

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

On September 7, 2017, the Park and Recreation Board authorized a contract with A S Con, Inc.

Information about this item was provided to the Quality of Life, Culture and Arts Committee on September 25, 2017.

On September 27, 2017, City Council authorized a construction services contract with A S Con, Inc. for dam safety and shoreline improvements at Kidd Springs Park located at 700 West Canty Street by Resolution No. 17-1551.

On November 15, 2018, the Park and Recreation Board authorized an increase in the construction services contract with A S Con, Inc.

Information about this item will be provided to Quality of Life, Arts and Culture Committee on December 10, 2018.

**FISCAL INFORMATION**

Park and Recreation Facilities Fund (2006 Bond Funds) - \$78,579.48

Construction Contract	\$726,578.00
Change Order No. 1 (this action)	<u>\$ 78,579.48</u>
Total not to exceed	\$805,157.48

**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 \$
\$78,579.48	Construction	25.00%	8.70%	\$6,838.20
<ul style="list-style-type: none"> <li>• This contract does not meet the M/WBE goal, but complies with good faith efforts.</li> <li>• Change Order No. 1 - 24.04% Overall M/WBE participation</li> </ul>				

**OWNER**

**A S Con, Inc.**

Ali Safdarinia, President

**MAP**

Attached



Agenda Information Sheet

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**File #:** 18-1284

**Item #:** 73.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize a five-year maintenance agreement, with an automatic one-year extension with Parks for Downtown Dallas for the operation and maintenance of Belo Garden Park located at 1014 Main Street - Financing: This action has no cost consideration to the City (see Fiscal Information)

**BACKGROUND**

On November 14, 2012, City Council authorized a five-year maintenance agreement between the City of Dallas and Belo Foundation, a Texas nonprofit corporation, to provide supplemental maintenance for certain repairs, improvements and enhancements above the normal operating expenses for Belo Garden Park by Resolution No. 12-2752. This agreement expired by its own terms, with an automatic one-year extension, on September 30, 2018.

The following responsibilities between the Park & Recreation Department (City) and Parks for Downtown Dallas (PfDD) are for consideration.

The term of this of this agreement is five years beginning on January 1, 2019 and ending on December 31, 2024. The agreement shall be automatically extended for a period of one year, unless either party gives written notice of termination no later than March 31 of the calendar year in which the agreement will end.

PfDD responsibilities:

1. Mowing and trimming the park site on a weekly basis throughout the year.
2. Regular maintenance and plant replacement, as necessary, in the perennial planting beds and seasonal trimming of ornamental grasses.
3. Display fountain maintenance on a weekly schedule, Monday through Friday, throughout the year.
4. Irrigation will be repaired on a weekly basis throughout the year, Monday through Friday, 7:00

a.m. - 3:30 p.m.

5. Tree care and maintenance provided on a daily basis, as needed, Monday through Friday, 7:00 a.m. - 3:30 p.m.
6. Fertilization, aerification, and top dressing performed on a scheduled basis during the year.
7. Decomposed granite walks leveled and refurbished as needed to ensure a level walk-way for park patrons.

City responsibilities:

1. Litter pick-up and removal on a daily basis at multiple times throughout the day, Monday through Sunday, 7:00 a.m. - 3:30 p.m.
2. Graffiti abatement performed within a minimum of eight hours of notification, Monday through Friday, 7:00 a.m. - 3:30 p.m.
3. Replacing lighting elements as they become worn or broken on a daily schedule throughout the year Monday through Friday. Provide electrical repairs in the evenings and weekends on an on-call basis. Additional support for Special Event set-up and monitoring will require reimbursement from Downtown Dallas Inc. to City.
4. Repair and replace permanent and/or fixed park furniture as needed. Replacement and/or repair to conform with the original furnishing design.
5. Integrated Pest Management Program performed as needed to address fire ants, rodents, aphids, fungus, etc.
6. Park signage repair or replacement as needed.
7. Migratory bird control program performed at the park site as needed in the evening hours to address large gatherings of migratory birds during the fall and winter months.
8. Utilities, including, but not limited to, water and electricity.
9. Drinking fountain maintenance.

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

On October 18, 2018, the Park and Recreation Board authorized a five-year maintenance agreement, with an automatic one-year extension with Parks for Downtown Dallas.

Information about this item will be provided to the Quality of Life, Arts and Culture on December 10, 2018.

**FISCAL INFORMATION**

This action has no cost consideration to the City. Litter pick-up and removal, graffiti abatement, and repair/maintenance services to be provided at Belo Garden Park are standard park system services appropriated in the Park and Recreation Department's current fiscal year budget. Future year appropriations will be established through the annual General Fund budget development process, subject to City Council approval after approval by the Park and Recreation Board.



Agenda Information Sheet

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**File #:** 18-1270

**Item #:** 74.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 4  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize the sixty-month extension option to the concession contract with IAMJ Enterprises, Inc. for the operation of the banquet facility at Cedar Crest Golf Course - Estimated Annual Revenue: \$4,000.00

**BACKGROUND**

The concession contract has been held by IAMJ Enterprises, Inc. since August 27, 2008. The concession contract was for one hundred twenty-six months, or ten and one-half years, with one sixty-month extension option and ended on September 30, 2018. The City, through the Park and Recreation Department Director, notified Ira Malayo of its intent to consider consolidating the Cedar Crest banquet facility concession contract with the Cedar Crest Golf Course Golf Professional Concession Contract when the golf contracts come up for renewal. Following this notification, staff was informed by the City Attorney's Office that the two contracts could not be combined. The City at its sole option may renew this agreement for a period of sixty months.

The contract provides for operation of the banquet facility at Cedar Crest Golf Course, which includes reservations and catering. The 6,000 square foot banquet facility is located on the second floor of the Cedar Crest Golf Course Clubhouse. This reservation facility was constructed and opened in 2004 as the first reservation facility in Dallas, south of the Trinity River. The facility houses a banquet room, balcony and warming kitchen. It can accommodate up to 200 guests for weddings, receptions, dinner parties, seminars and special events.

General requirements of IAMJ Enterprises, Inc (Concessionaire):

- Concessionaire will be the sole event planner and provider for all upstairs events including weddings, reunions, receptions, dinner parties, luncheons, seminars and golf events requiring the use of the banquet facility.
- Concessionaire will be responsible for maintenance, repair, and replacement of all City furnished equipment and furniture. All other equipment and fixtures required for this operation

shall be provided by the Concessionaire and be of modern design, quality material, sufficient in number to adequately serve the public, and provided by the Concessionaire at his or her expense and subject to approval by the Park and Recreation Director. Equipment shall be maintained by the Concessionaire.

- Concessionaire agrees to hire, train and supervise and staff the operation to ensure satisfactory performance to the Park and Recreation Department and efficient service to the public. Concessionaire agrees that personnel will be outfitted in a standardized uniform.
- Reservations can be made up to 12 months in advance. A reservations contract must be completed for each reservation; a deposit may be required. Reservations must be made by an adult 21-years old or older. One adult chaperon is required for each 20 children under the age of 18.
- Room reservations can be made from 8 a.m. - 12 midnight. Special requests for extended hours beyond midnight may be approved on an individual basis by the Park and Recreation Department Director.
- Room rental rates will be determined by the Concessionaire. Rates shall be established by comparing like reservation facility rates in the Dallas area along with determining specific services needed for each specific event.
- The Concessionaire has the right to charge additional service fees for set-up and clean-up of the banquet facility.
- Concessionaire is responsible for routine cleaning of the banquet facility. Contracted premises shall be kept in a clean, orderly and legitimate manner and in accordance with existing ordinances and laws regulating food concession. No rubbish, glass, plastic, or cardboard boxes of any kind shall be thrown on the floor in the building by the Concessionaire or anyone working for Concessionaire. All cleaning supplies for the Banquet facility will be provided by the vendor. Concessionaire is responsible for carpet cleaning twice each year and all window cleaning except for eyelid windows and glass work not reasonably accessible.
- Reservations are required to pay an additional charge per hour for security officers. Dallas Police off-duty officers are required for:
  - All groups of 100 or more
  - When beer/alcohol is served for any number of patrons
  - For events when minors are present
- The Cedar Crest Golf Course Pro will own the Texas Alcoholic Beverage Commission permit for sale of alcoholic beverages on the golf course property. The purchase of alcoholic beverages will be coordinated and sold by the Golf Pro under the provisions of the Golf Pro Concessions Contract. All alcoholic beverages must be purchased on-site.
- Concessionaire may provide decorating services, decorations and/or special set-ups at an additional charge. Interior furnishings (including plants, equipment, displays, wall decorations, etc.) must remain in the upstairs reservation area. Concessionaire will not use, or allow to be used, tacks, staples, or tape of any kind on walls, floors, furniture or carpet. Votive or dripless candles only are permitted.
- Concessionaire will be required to market and advertise the banquet facility to promote interest and reservations. The Concessionaire will host a website, email addresses and social media sites in sufficient numbers to adequately market and promote the banquet facility. The City will provide a link on the Park and Recreation Department website to assist in promoting the facility.
- The Concessionaire must at its own expense procure and keep in force during the entire

period of the contract all permits and licenses required by such laws and regulations.

- The Concessionaire is responsible for reimbursing the City 6.25 percent of the monthly electricity bill for the premises.

General requirements of the City:

- Provide a dishwasher, refrigerator, ice machine, warming oven, preparation counters and multiple sinks.
- Provide indoor tables and chairs for 200 people and provides outdoor tables and chairs for the balcony area.
- Make payment for all utilities for the Premises but the Concessionaire reimburses the City at the agreed rate of 6.25 percent.
- Maintain the facility and the surrounding landscape.
- Provide cleaning services of windows, inspection of fire extinguishers and provides phone line.

Renewal terms will also include the following additional requirements identified in a Supplemental Agreement to the concession contract.

Concessionaire shall provide certified public accountant attestations of: (1) the annual gross sales and (2) monthly gross sales reported for the payment of monthly commissions are fairly stated in accordance with Generally Accepted Accounting Principles.

City, through its Park and Recreation Department Director, and Concessionaire shall agree to performance standards on an annual basis, no later than January 31 for the year 2019 and October 1 for each year thereafter, during the term of the agreement. Standard performance measures, e.g., annual number of events, will be based on IAMJ Enterprises, Inc. forecasted event reservations and reservation days as presented to the department.

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

On August 27, 2008, City Council authorized a one-hundred-twenty month concession contract, with a sixty-month renewal option, for operation of the banquet facility at Cedar Crest Golf Course by Resolution No. 05-2229.

On November 1, 2018, the Park and Recreation Board authorized the sixty-month extension option to the concession contract with IAMJ Enterprises, Inc.

Information about this item will be provided to the Quality of Life, Arts and Culture Committee on December 10, 2018.

### **FISCAL INFORMATION**

Estimated Annual Revenue: \$4,000.00

### **OWNER**

**IAMJ Enterprises, Inc.**

Ira Malayo, President



Agenda Information Sheet

**File #:** 18-1321

**Item #:** 75.

**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 1, 2, 4, 5, 6  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

**SUBJECT**

Authorize the sixty-month extension option to five concession contracts for Golf Pro Shop Managers with Bob Smith at Tenison Park Golf Courses in the amount of \$1,558,384.00, Mickey Ray Piersall at Luna Vista Golf Course in the amount of \$847,876.00, IAMJ Enterprises, Inc. at Cedar Crest Golf Course in the amount of \$526,848.00, James R. Henderson at Stevens Park Golf Course in the amount of \$1,158,353.00, and Tony Martinez at Grover C. Keeton Park Golf Course in the amount of \$469,830.00 - Estimated Annual Revenue: \$4,561,291.00

**BACKGROUND**

The City owns the following six golf courses:

Cedar Crest Golf Course	1800 Southerland Avenue
Luna Vista Golf Course (formerly L.B. Houston)	11223 Luna Road
Stevens Park Golf Course	1005 North Montclair Avenue
Tenison Park Golf Courses	3501 Samuell Boulevard
(Tenison Highlands and Tenison Glen)	
Grover C. Keeton Park Golf Course	2323 North Jim Miller Road

For the past 34 years, the Park and Recreation Department has utilized a public/private partnership to manage and operate the City's golf courses which operate 364 days per year. The pro shop operations at each golf course are managed by a Class A Professional Golfers Association Golf Professional via a concessions contract with the City. The Golf Professional is responsible for, but not limited to, operating and managing the golf pro shop, golf play, golf cart rental, food and drink concessions, merchandise, alcohol sales and the use of the golf courses by providing lessons and organized play.

The current golf professional concession contracts pay revenue to the City. The City receives 100 percent of greens fee revenue, less state sales tax, and a percentage of other revenues received from all other golf professional activities generating revenue on the premises that is not part of the green fees as follows:

Cedar Crest Golf Course	5.0%
Stevens Park Golf Course	6.5%
Luna Vista Golf Course	6.0%
Tenison Park Golf Courses	9.0%
Grover C. Keeton Park	1.5%

The current contracts, authorized by City Council on June 11, 2008, by Resolution No. 08-1654, expire on December 31, 2018. As the contract stipulates, the City, at its sole option, may renew the agreement for one sixty-month term as long as the Golf Professional is not in default. None of the existing Golf Professionals are in default per the terms of the current agreement.

Renewal terms may also include the following additional requirements:

The Golf Professional providing certified public accountant attestations of: (1) the annual gross sales; and (2) monthly gross sales reported for the payment of monthly commissions are fairly stated in accordance with generally accepted accounting principles.

The City, through its Park and Recreation Department Director, and the Golf Professional shall agree to performance standards on an annual basis, no later than January 31 of each calendar year, during the term of the agreement.

Standard performance measures (may be adjusted for individual pro shop operations):

- Reduce waived or comped rounds to no more than 2 percent of total rounds (based on FY 2017-18 totals)
- 95 percent of carts properly maintained and in good working order at all times
- Provide the required number of carts per the Agreement at all times
- Maintain merchandise inventory levels of more than \$20,000.00 during the terms of the agreement
- Increase revenue per person ratios annually based on FY 2017-18 end of year average (Café sales per person, beer sales per person, merchandise sales per person, golf cart rental per person)
- Maintain an average survey response rate of 90 percent or higher (response satisfactory or above) on the following annual survey results as reported by October 30
  - Pro shop cleanliness
  - Pace of play
  - Cart condition
  - Restaurant condition and quality of service
  - Customer Service

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

On June 11, 2008, City Council authorized five concession contracts for one hundred twenty-six months, or ten and one-half years, each, with one sixty-month extension option each, for Golf Pro Shop Manager with Bob Smith at Tenison Park Golf Courses, Mickey Ray Piersall at L. B. Houston Golf Course, Ira McGraw at Cedar Crest Golf Course, James R. Henderson at Stevens Park Golf Course and Tony Martinez at Grover C. Keeton Park Golf Course by Resolution No. 08-1654.

On September 20, 2018, the Park and Recreation Board authorized the sixty-month extension option to five concession contracts for Golf Pro Shop Managers.

Information about this item will be provided to the Quality of Life, Arts and Culture Committee on December 10, 2018.

**FISCAL INFORMATION**

Estimated Annual Revenue: \$4,561,291.00

**OWNERS**

**Bob Smith Golf Shop, Inc.**

Bob Smith, President

**Mickey Ray Piersall Golf Shop**

Mickey Piersall, Owner

**IAMJ Enterprises, Inc.**

Ira Malayo, President

**James R. Henderson**

James R. Henderson, Director of Golf Operations

**Tony Martinez Golf Management**

Tony Martinez, Owner



Agenda Information Sheet

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**File #:** 18-1440

**Item #:** 86.

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**STRATEGIC PRIORITY:** Quality of Life  
**AGENDA DATE:** December 12, 2018  
**COUNCIL DISTRICT(S):** 14  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** Willis C. Winters

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**SUBJECT**

Authorize **(1)** a development and maintenance agreement with Lincoln LAG LTD. and HEB Grocery Company, LP for the purpose of constructing the Matilda Trail, an enhanced sidewalk, hike and bike trail, and appurtenances located at East Lovers Lane and Matilda Street; **(2)** the establishment of appropriations in an amount not to exceed \$30,000.00 in the Mowmentum Park Improvement Fund; **(3)** the receipt and deposit of endowment funds in an amount not to exceed \$30,000.00 in the Mowmentum Park Improvement Fund; and **(4)** execution of the development and maintenance agreement - Financing: Revenue: \$30,000.00 (This item was deferred on November 28, 2018)

**BACKGROUND**

This action will authorize a development and maintenance agreement with the City of Dallas Park and Recreation Department (City) and Lincoln LAG LTD. (Lincoln) and HEB Grocery Company, LP (HEB) for the construction and maintenance of the Matilda Trail as identified in the 2008 Dallas Trail and Network Plan. Lincoln is the owner of property at the southwest corner of East Lovers Lane and Matilda Street and HEB is the tenant of the same property. The trail will be located on Oncor property and partially within abutting public rights-of-way (ROW) adjacent to Matilda Street. Lincoln and HEB will construct the Matilda Trail. Upon acceptance of the improvements by the City, Lincoln and HEB shall make a payment into a maintenance fund in an amount not to exceed \$30,000.00, to fund maintenance of the trail until the beginning of the City's fiscal year in which the trail is accepted by the City.

In 2017, Lincoln submitted a request to abandon a portion of Matilda Street to facilitate the expansion of HEB development of the property in the ROW which consists primarily of parking and landscaping. This agreement is one condition of that abandonment ordinance which requires Lincoln to construct the Matilda Trail as consideration for the waiver of the abandonment fee that would otherwise be required by the City for the abandoned ROW. The ordinance also requires Lincoln to execute a development and maintenance agreement with the City and the Park and Recreation Board. Lincoln desires to assign its obligation for the construction and maintenance of the Matilda Trail to HEB.

The agreement will be subject to the following terms:

1. The term is from execution of the agreement to completion and acceptance of the trail by the City and payment to the City by Lincoln/HEB in an amount not to exceed \$30,000.00 into a maintenance endowment fund.
2. Lincoln desires that HEB undertake its obligations under the abandonment ordinance for as long as HEB maintains its leasehold interest on Lincoln property, including but not limited to, all design and construction costs of the project. City shall not be responsible for any costs for design, development, and construction of the Trail and all project costs shall be the sole responsibility of Lincoln/HEB.
3. HEB is willing to undertake Lincoln's obligations under the abandonment ordinance for as long as HEB maintains its leasehold interest on Lincoln property.
4. Lincoln/HEB shall submit the design to the Park and Recreation Department for review and approval prior to commencement of construction.
5. Lincoln/HEB will manage the design and construction through its own consultants and contractors and will be responsible for all permits and other approvals. All consultants and contractors are required to provide insurance that is consistent with what is required by City consultants and contractors.
6. Upon completion and acceptance of the project by the Director of the Park and Recreation Department, Lincoln/HEB shall pay an amount not to exceed \$30,000.00 into a maintenance endowment fund for maintenance of the trail for the remainder of the fiscal year as enumerated in the agreement.

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

On September 30, 2018, the Park and Recreation Board authorized a hike and bike trail license agreement with Oncor for the use of Oncor property for the construction, operation, and maintenance of the Matilda Trail. This action will be processed by a Short Form Resolution.

On November 1, 2018, the Park and Recreation Board authorized a development and maintenance agreement with Lincoln LAG LTD. and HEB Grocery Company, LP.

Information about this item was provided to the Quality of Life, Arts and Culture Committee on November 26, 2018.

On November 28, 2018, this item was deferred by Councilmember Philip T. Kingston.

### **FISCAL INFORMATION**

Revenue: \$30,000.00

### **MAP**

Attached