Memorandum

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CITY SECRETARY
DALLAS, TEXAS

CITY OF DALLAS

DATE: December 1, 2011

TO: Honorable Members of the Budget, Finance & Audit Committee: Tennell Atkins (Vice Chair), Monica R. Alonzo, Scott Griggs, Ann Margolin

SUBJECT: Budget, Finance & Audit Committee Meeting

Monday, December 5, 2011, 1:30 p.m.
Dallas City Hall - 6ES, 1500 Marilla St., Dallas, TX 75201

The agenda for the meeting is as follows:

1. Approval of October 17, 2011 minutes

2. Economic Overview & Fiscal Links — Daniel Oney, Research & Information Manager, Economic Development

3. Master Lease Program — Corrine Steeger, Assistant Director / Treasury Manager City Controller's Office

4. American Recovery & Reinvestment Act (ARRA) Status Report — Brett Wilkinson, Director Intergovernmental Services

FYI:

5. Fuel Management System Upgrade – Addendum Item for December 14, 2011 (Informational Memo)

Please let me know if you have any questions.

Jerry R. Allen, Chair
Budget, Finance & Audit Committee

cc: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager

Rosa A. Rios, Acting City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
A.C. Gonzalez, First Assistant City Manager
Ryan S. Evans, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Edward Scott, City Controller

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

1. Contemplated or pending litigation or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.

2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.

3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.

4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.

5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.

Budget, Finance & Audit Committee

Meeting Record
(Draft)

Meeting Date: 10-17- 2011 **Convened:** 1:06 p.m. **Adjourned:** 2:14 p.m.

Committee Members Present:
Jerry R. Allen, Chair
Tennell Atkins, Vice-Chair
Monica Alonzo
Scott Griggs
Ann Margolin

Presenters:
Gary Morris, Chairman of Greater Dallas Business Ethics Award Steering Committee
Michael Webb, Greater Dallas Business Ethics Award Steering Committee
Corrine Steeger, Assistant Director / Treasury Manager of the City Controller's Office

Staff Present:
Jeanne Chipperfield, Jack Ireland, Lance Sehorn, Ben Collins, Zarin Gracey, Mike Frosch, Terry Lowery, Rosa Rios

Special Guests:
Ethics Committee Board members

AGENDA:

1. **Approval of the October 3, 2011 minutes**
   Presenter(s):
   Information Only: _____
   Action Taken/Committee Recommendation(s):
   Motion to approve the October 3, 2011 minutes.

Motion made by: Monica Alonzo Motion seconded by: Tennell Atkins

2. **Greater Dallas Business Ethics Award Overview**
   Presenter(s): Gary Morris and Michael Webb
   Information Only: __X__
   Action Taken/Committee Recommendation(s):

   Mr. Morris and Mr. Webb discussed how the Greater Dallas Business Ethics Award recognizes public and private companies headquartered in the Dallas region that demonstrate a commitment to ethical business practices in everyday operations, management philosophies, and in response to crises or challenges. A six-member judging panel representing academia, local businesses and former GDBEA award recipients individually review the finalist submissions and determine the winning companies.

3. **Investment Policy Overview and Annual Review**
   Presenter(s): Corrine Steeger
   Information Only: ____
   Action Taken/Committee Recommendation(s):

The purpose of the briefing was to provide information on Federal Regulations, State Statutes such as the Public Funds Investment Act, Public Funds Collateral Act, Depositories for Municipal Funds and to discuss the City Charter and Code.

Budget, Finance & Audit Committee

Meeting Record
(Draft)

A motion was made to accept the investment policy at the November 7, 2011 City Council meeting.

Motion made by: Scott Griggs — Motion seconded by: Ann Margolin

4. **Financial Advisory Services Contract**
   Presenter(s): Corrine Steeger
   Information Only: ____
   Action Taken/Committee Recommendation(s):

   The briefing presented information on financial advisory services, the selection process, co-financial advisors and a recommendation to award contracts for co-financial advisory services to First Southwest and Estrada Hinojosa & Company on the October 26th Council agenda.

   A motion was made to approve the awarding of contracts at the October 26, 2011 Council agenda meeting.

Motion made by: Tennell Atkins — Motion seconded by: Ann Margolin

5. **Quarterly Investment Report, as of September 30, 2011**
   Presenter(s): Corrine Steeger
   Information Only: _X__
   Action Taken/Committee Recommendation(s):

6. **Deferred Compensation Plan Amendments Memo**
   Presenter(s): Jeanne Chipperfield
   Information Only: ____
   Action Taken/Committee Recommendation(s):

   The memo provided background information for the November 7, 2011 City Council agenda items that include the approval of plan documents amended and restated as of November 7, 2011 for (1) City of Dallas 401 (k) Retirement Savings Plan; (2) 457 Deferred Compensation Plan for City Employees of the City of Dallas; and (3) City of Dallas 457 Deferred Compensation Plan for Part-Time, Seasonal, Temporary Employees and City Councilmembers.

   A motion was made to approve the items at the November 7, 2011 council agenda meeting.

Motion made by: Unanimous Decision — Motion seconded by: All Committee Members

Jerry R. Allen, Chair
Budget, Finance & Audit Committee

Memorandum

CITY OF DALLAS

DATE December 1, 2011

TO Honorable Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair), Tennell Atkins (Vice Chair), Monica R. Alonzo, Scott Griggs, Ann Margolin

SUBJECT Economic Overview and Fiscal Links Briefing

On Monday, December 5, 2011, you will be briefed on Economic Overviews and Fiscal Links at the Budget, Finance and Audit Committee meeting. The briefing material is attached for your review.

Please contact me if you need additional information.

Ryan S. Evans
Assistant City Manager

Attachment

cc: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa A. Rios, Acting City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
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Edward Scott, City Controller
Stephanie Pegues-Cooper, Assistant to the City Manager

Economic Overview and Fiscal Links

Budget Finance and Audit Committee

December 5, 2011

Purpose

- Provide a quick overview of the current economic situation locally and nationally
- Review Dallas' development vision, policy and results
- Highlight some of the important links between the economy, development and the fiscal sustainability of the city
- Present status of Dallas housing market
- Appendix included on Barnett Shale economic impact

We have a weak national economy

- Unemployment at 8.9%:
  - 13.9M unemployed
  - 8.4M part-time for economic reasons
  - 2.8M marginally attached
- Housing starts at a 51-year low
  - Sales up over last year, still down since 2008
  - Prices down 5% over last year, down 13% since 2008
- Gross Domestic Product will grow by 2% in 2011
- Downside risks include:
  - Financial contagion from Europe
  - Slowing global growth: Japan, Europe, developing countries
  - Political impasse, austerity and consumer malaise at home

With historic long-term unemployment

(% of U.S. Civilian Workforce Unemployed More than 26 Weeks)

- Employment is the most pressing concern to middle class Americans.
- Recovery in the job market is key to long-term economic health.

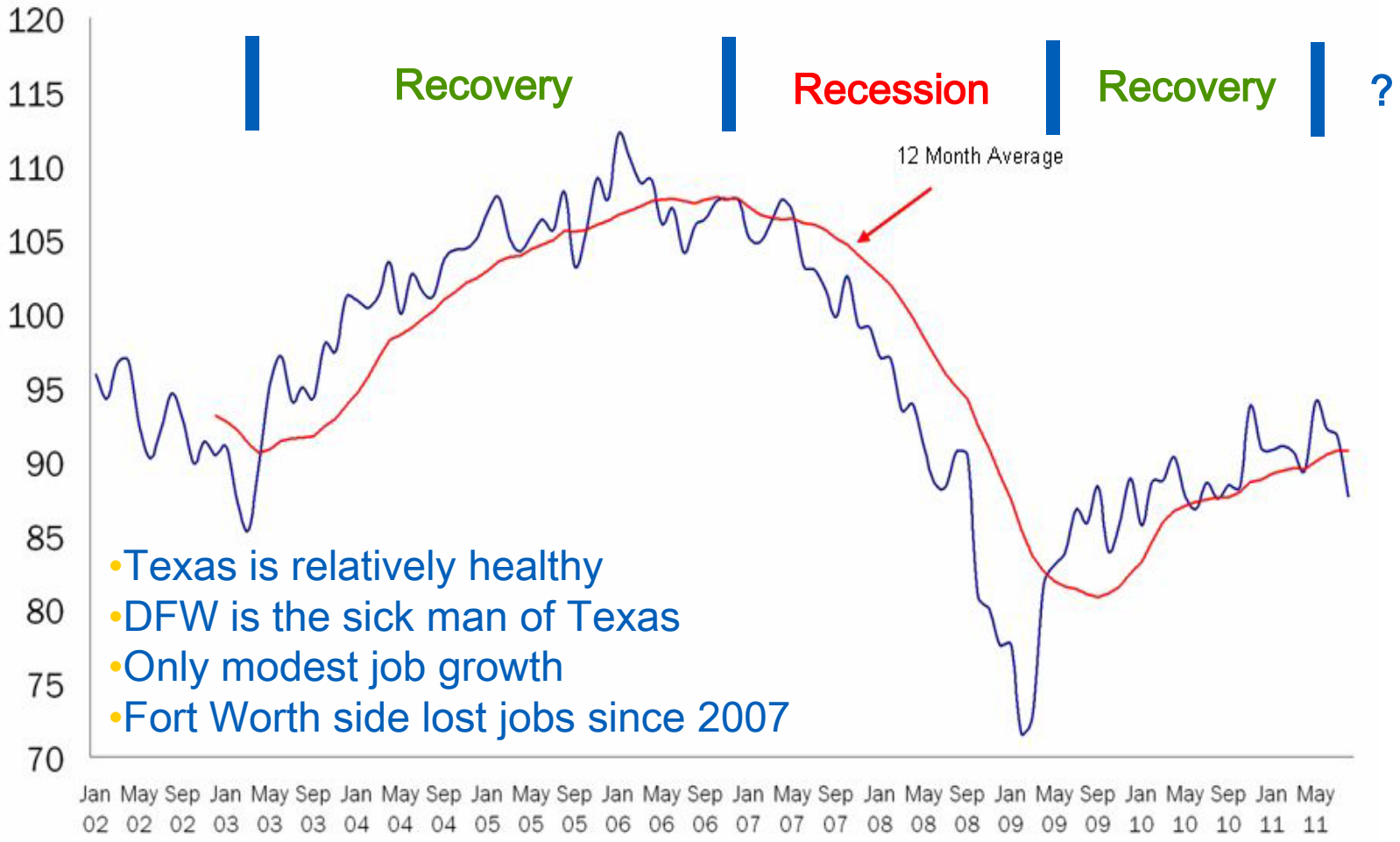
Source: BLS series LNU03008636

Recovery has taken on a new meaning

- By academic definition we had a recession (National Bureau of Economic Research)
  - Started in December 2007 (announced December 2008)
  - Ended in June 2009 (announced in September 2010)
  - Expansion just has to be improvement, not “recovery”
- Nation is experiencing the aftermath of a burst asset bubble
- Three things have to be resolved
  - Restore balance sheets (less debt)
  - Have more people working (new industries or growth)
  - Reach a housing equilibrium (lower prices)
- We should expect more sorting out among regions.
- Dallas is doing better than most peer cities and assets remain in place.

Local economy is weakening

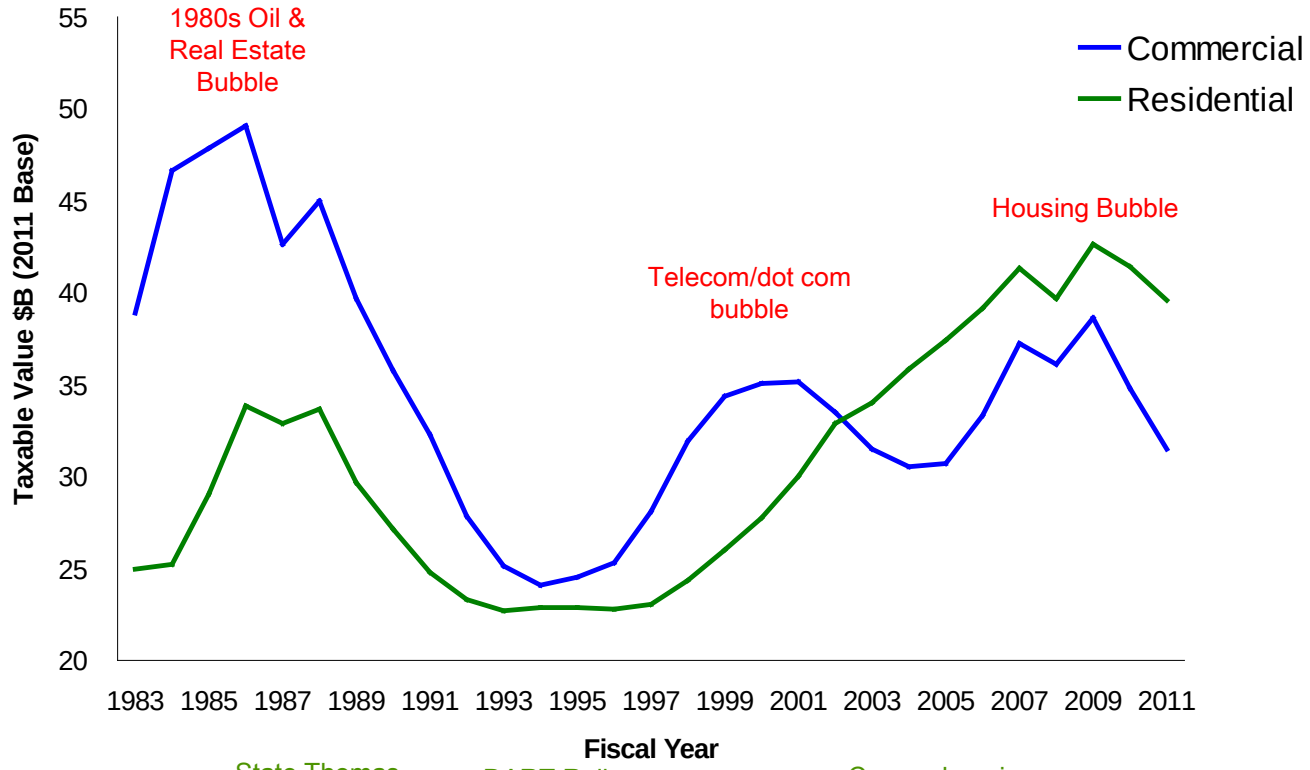
(City of Dallas Leading Index)



- Texas is relatively healthy
- DFW is the sick man of Texas
- Only modest job growth
- Fort Worth side lost jobs since 2007

Recent Economic History

- Dallas saw an asset bubble in the office market in the 1980s
- Commercial tax base hasn't recovered in real terms
- Vacancies are still high



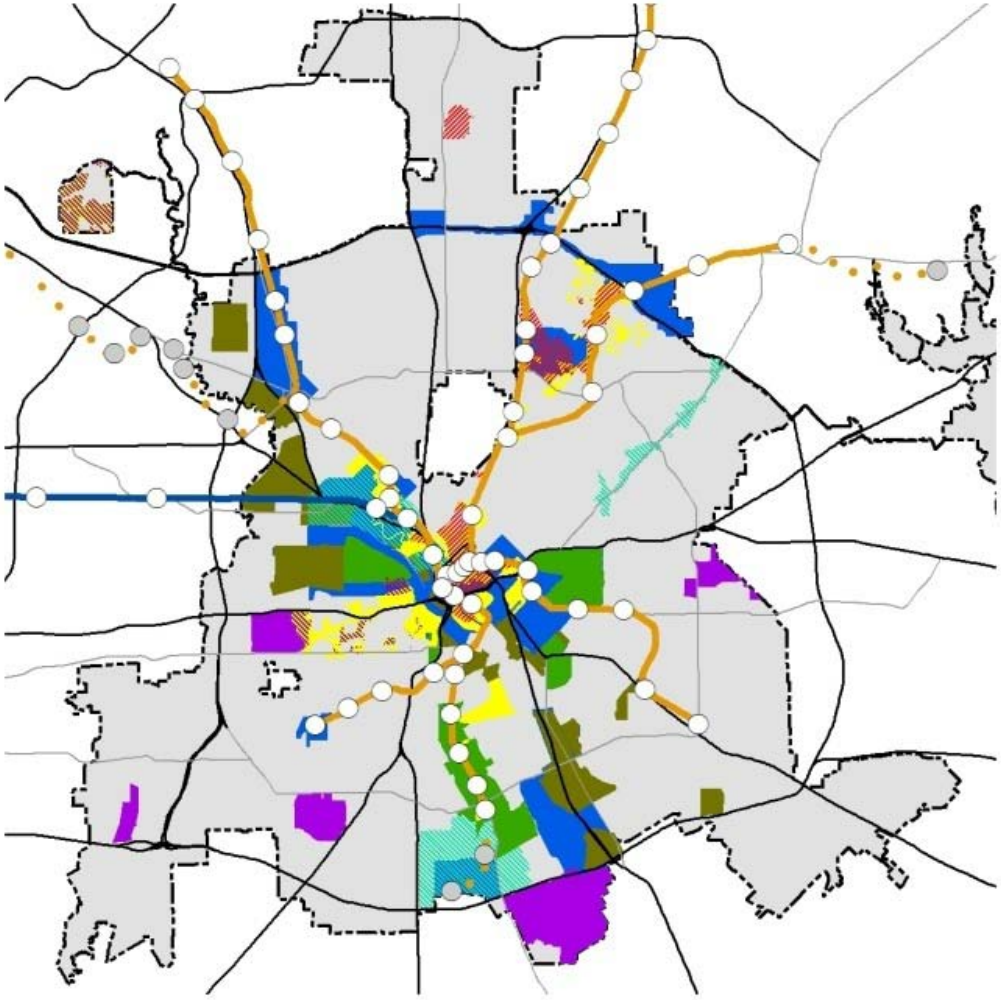
Dallas has real strengths

(There are good reasons to live and do business in Dallas)

- Diverse business base
- No income tax / low overall tax burden
- Transportation infrastructure
- Professional workforce
- Geography and location
  - No geographic constraints
  - Central U.S. location
- Urban dynamic
  - Relatively young city (newer infrastructure)
  - Effective urban redevelopment investments
- These strengths are shared by cities throughout the region. Most do not differentiate Dallas from suburbs.

Development Strategy

(*forwardDallas!* (2006) and *Strategic Engagement* (2005))



Colors represent Office of Economic Development, Sustainable Development and Construction, Housing and Trinity River priority areas.

Makes sense to focus on urban assets, but most of the map is grey (mostly single family, suburban-type areas.)

We are trying to build a "city" within a giant sprawling suburb.

Demand for the suburban neighborhoods of Dallas are thus critical to long-term fiscal health.

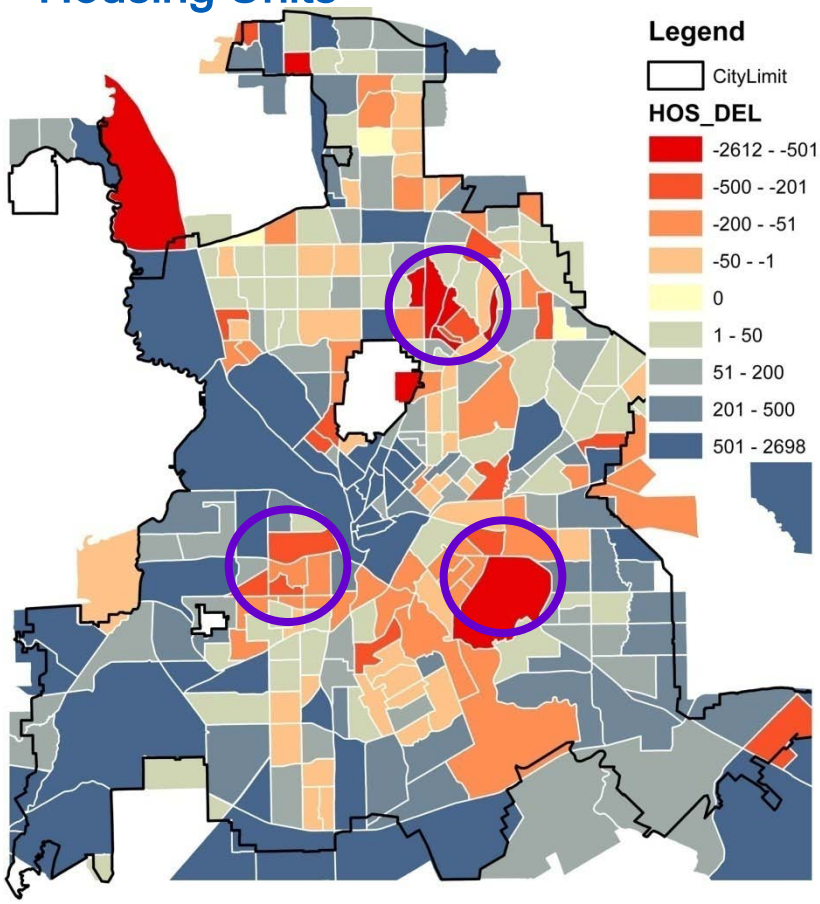
Results

- The City has seen remarkable improvements in recent years especially considering the magnitude of the Great Recession of 2008-9
- Economic Growth (2006 to 2010)
  - 6.5 M sq. ft of commercial space added
  - 14,064 jobs added
  - 27,000 new housing units permitted
- Since 2007, Council has approved the investment of $60 million in public assistance for business development projects that represent $794 million in new tax base.
- TIF district investments have generated $3.1B in new tax base since 2005

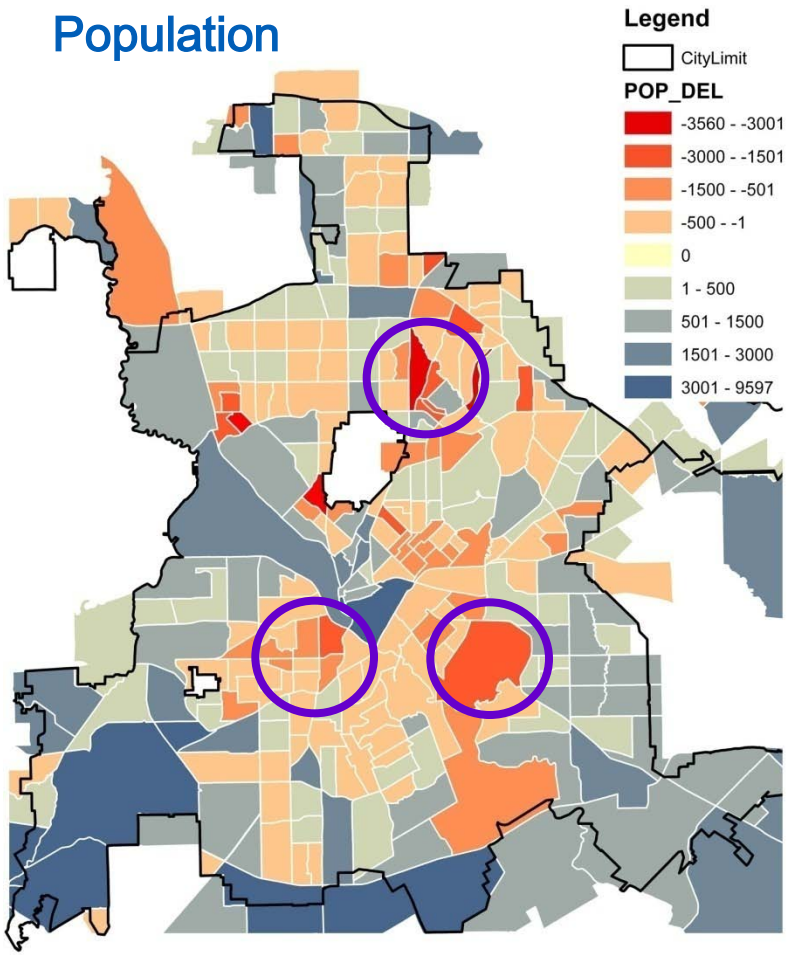
Tearing down to rebuild

Demolition of multifamily created population-loss hot spots

Housing Units



Population

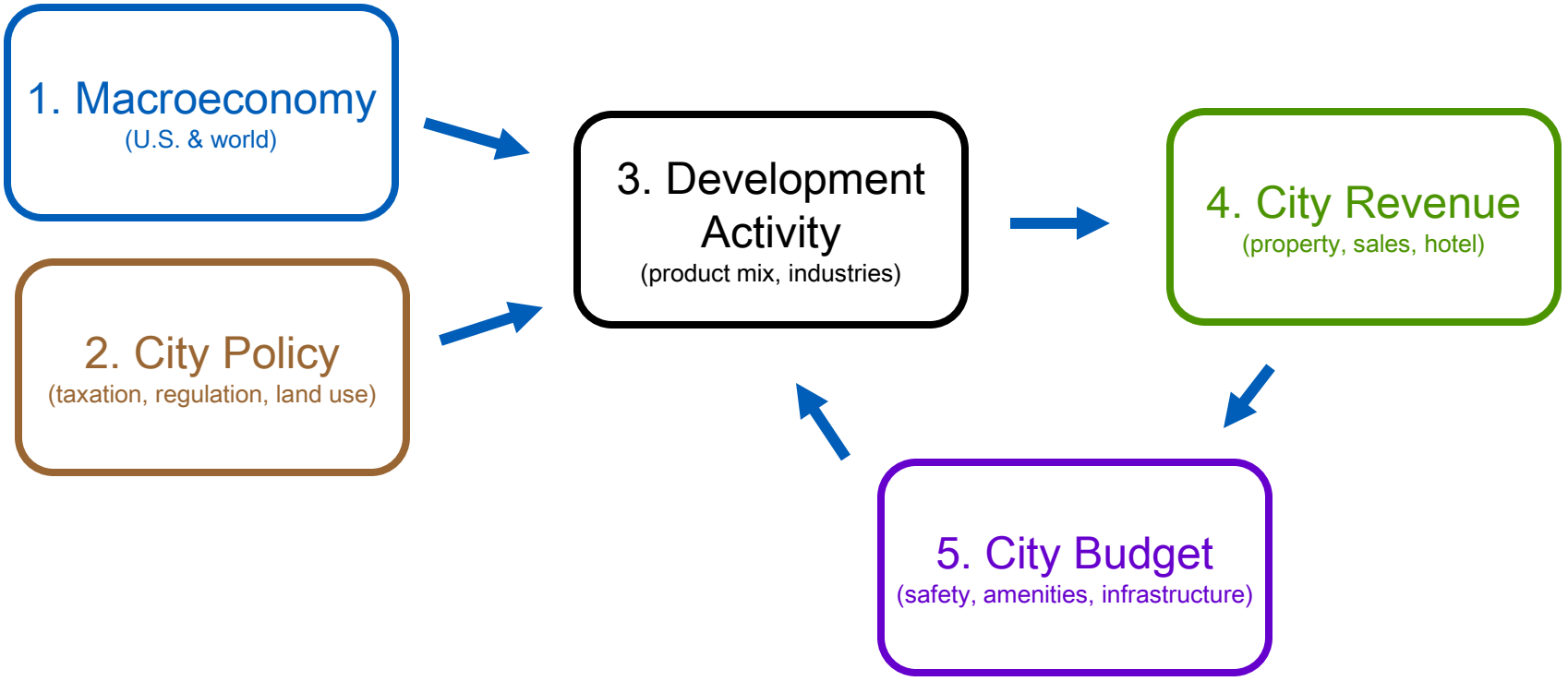


Source: U.S. Census Bureau

Economy and policy interact

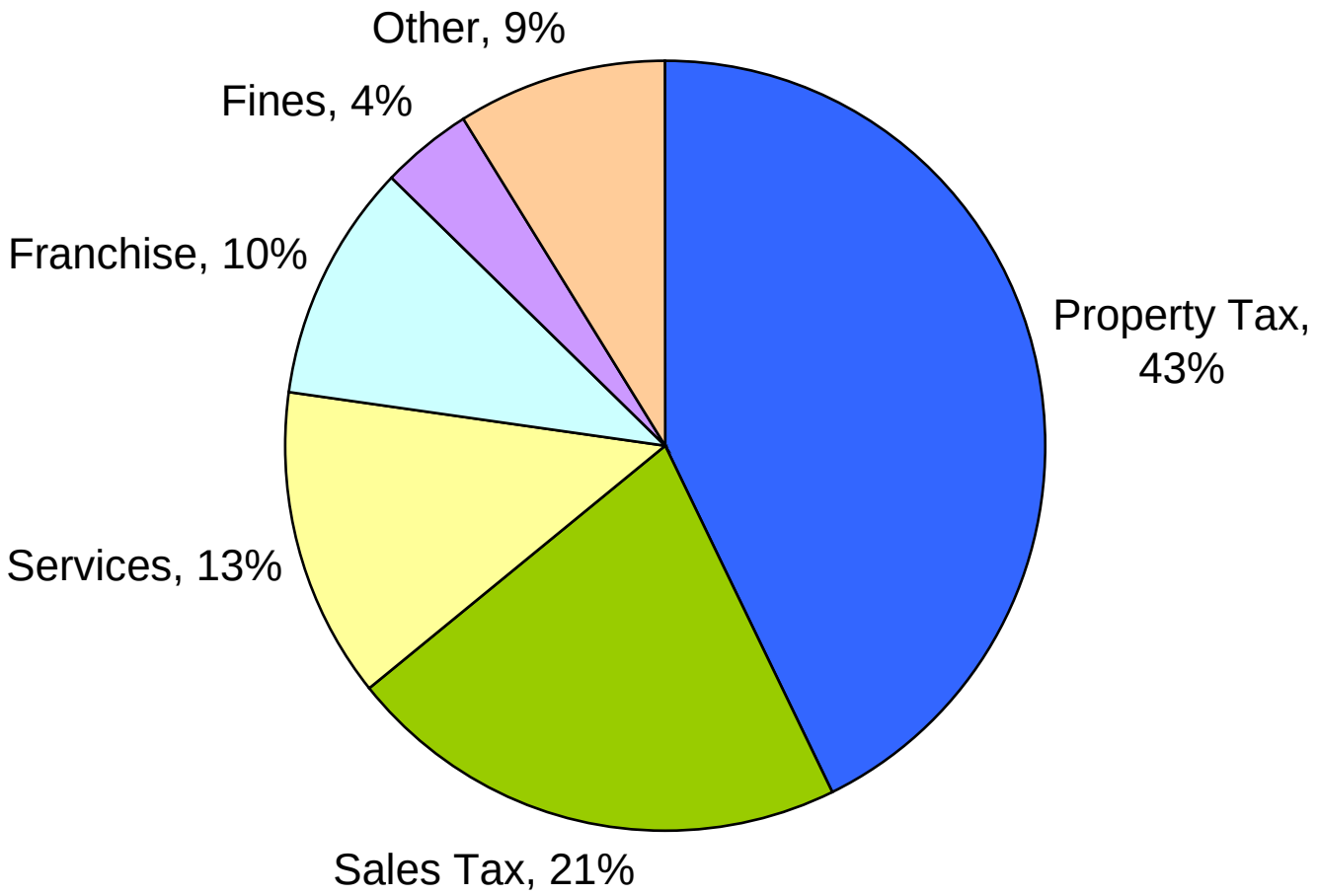
- Economy provides short-term influence on development activity. It can influence the type of real estate products that are delivered (financed and demanded) and which industries grow or shrink.
- Development policy has longer-term impact and can support or hinder redevelopment relative to the underlying economic potential for growth.
- Over many years the interaction of macroeconomic trends and City policy sets the stage for the City's fiscal picture.

Model of the development process

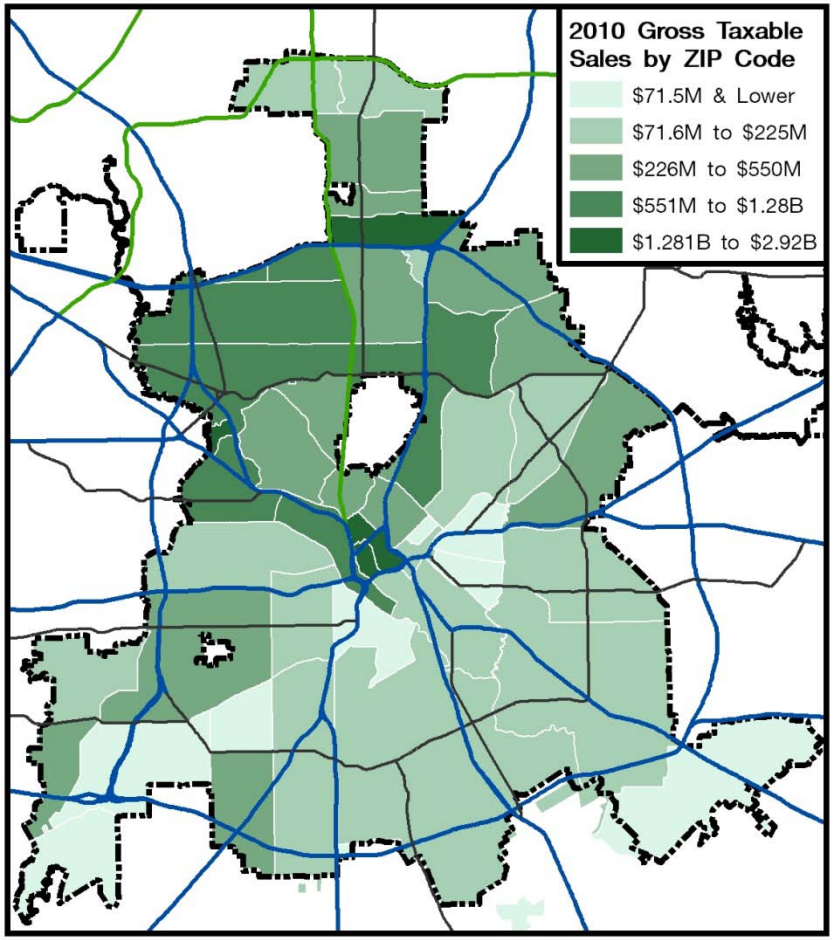


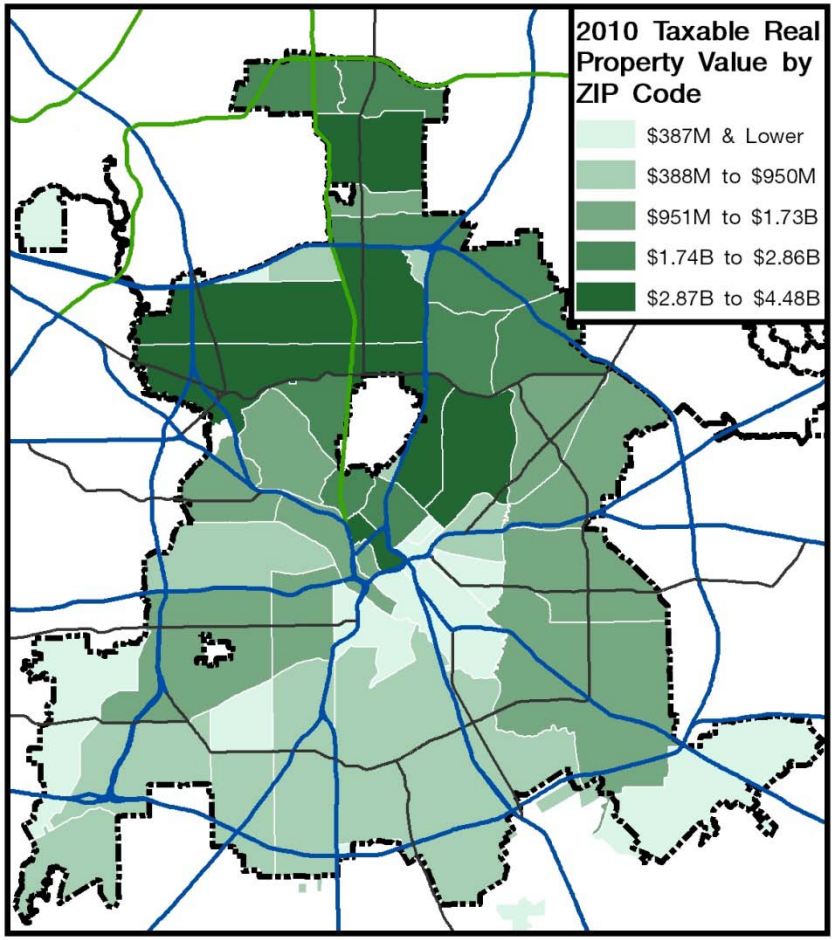
Two big revenue sources

(2012 Budget)



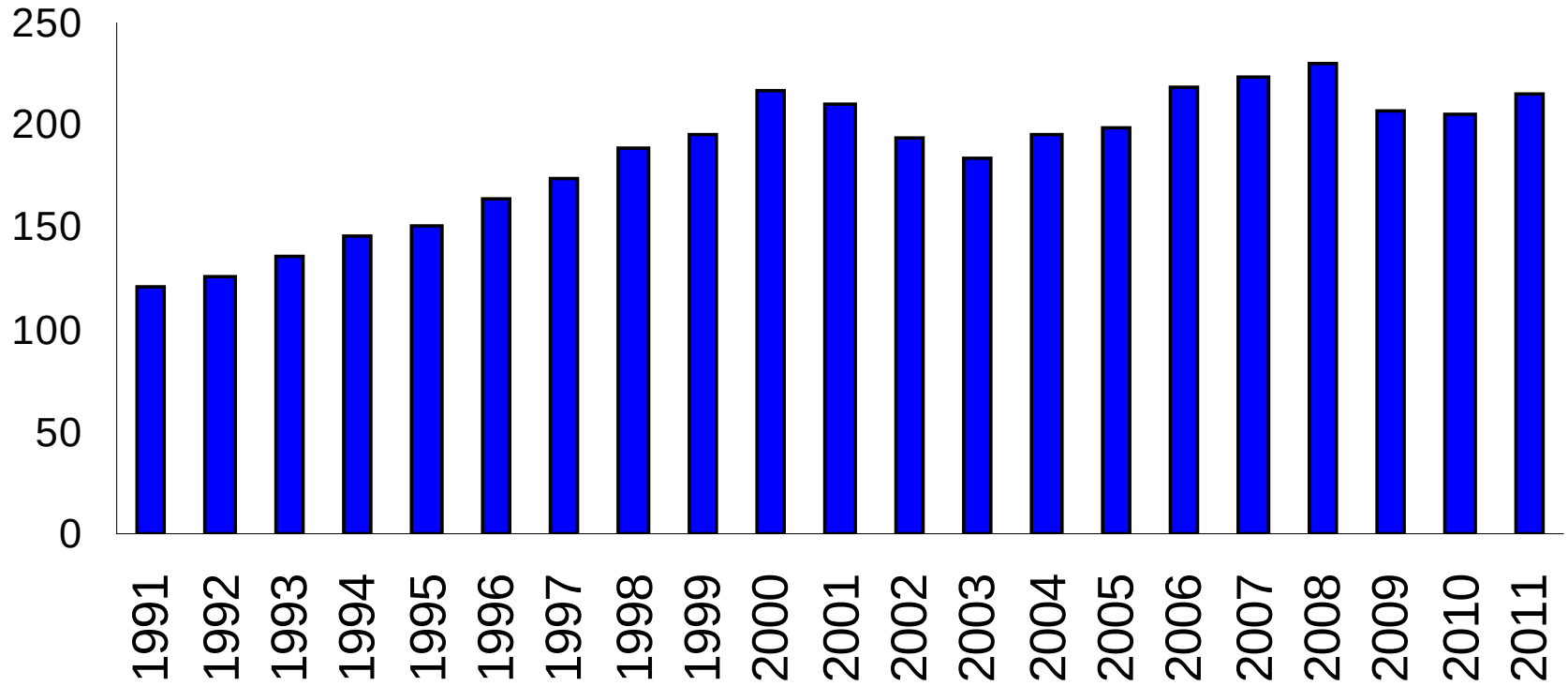
Economic activity is concentrated





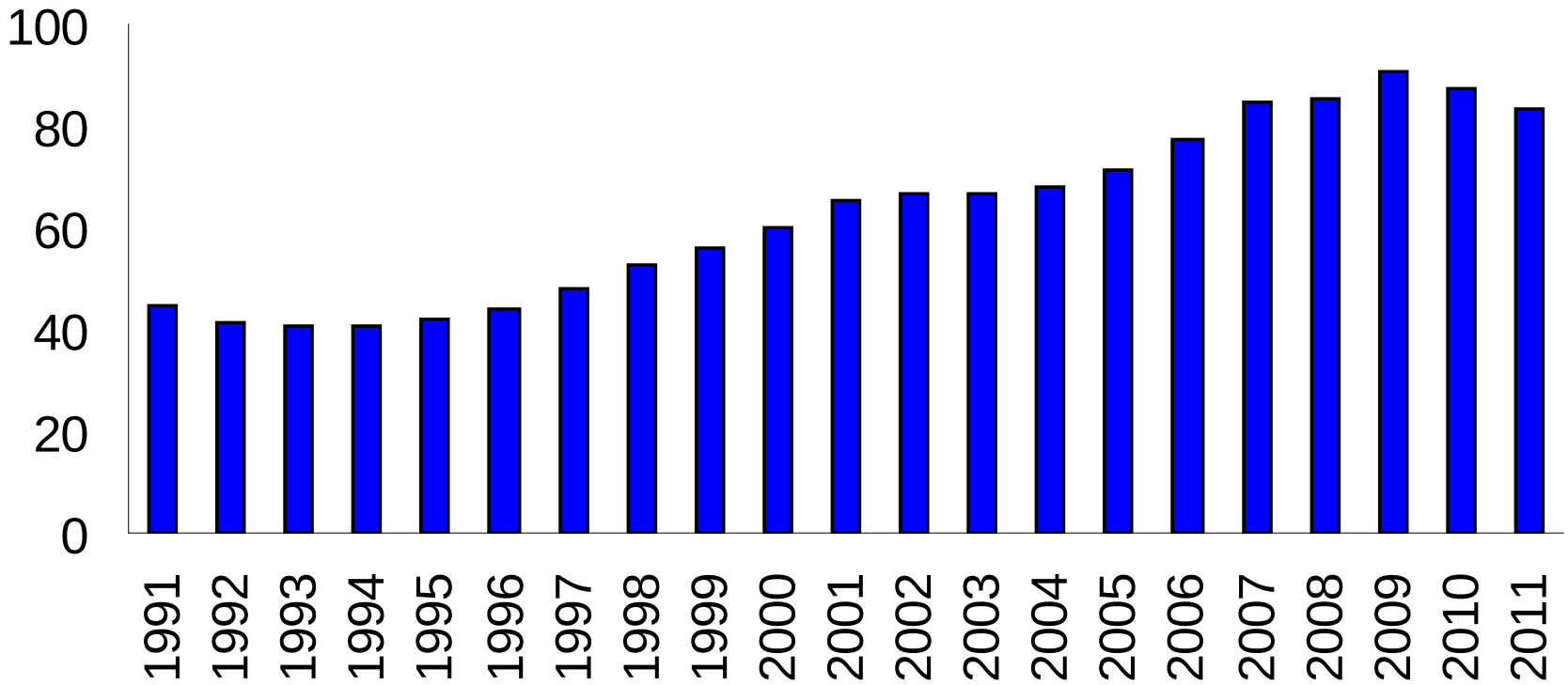
Sales tax revenue is cyclical

($ Millions)

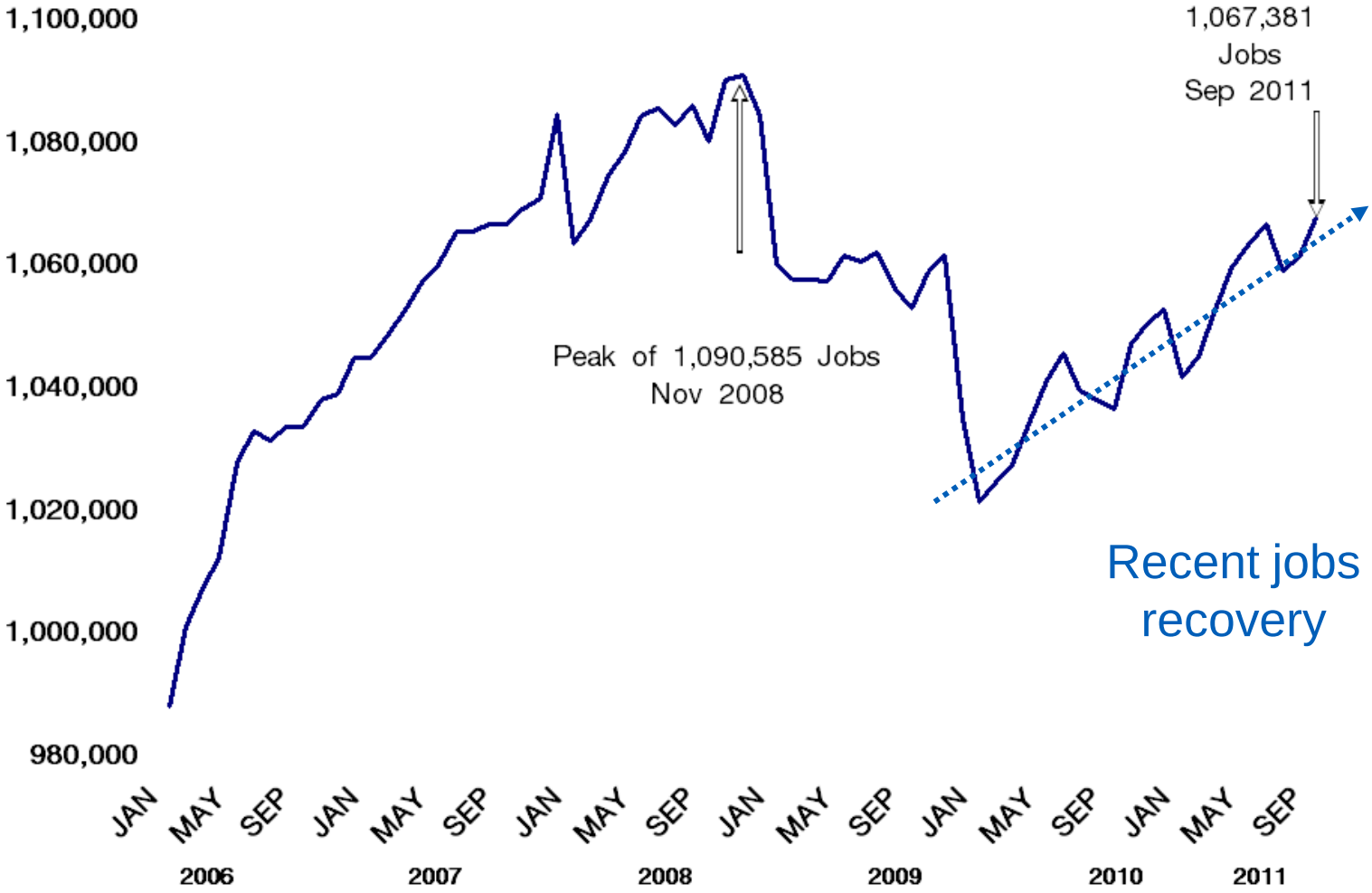


Property tax base responds slower

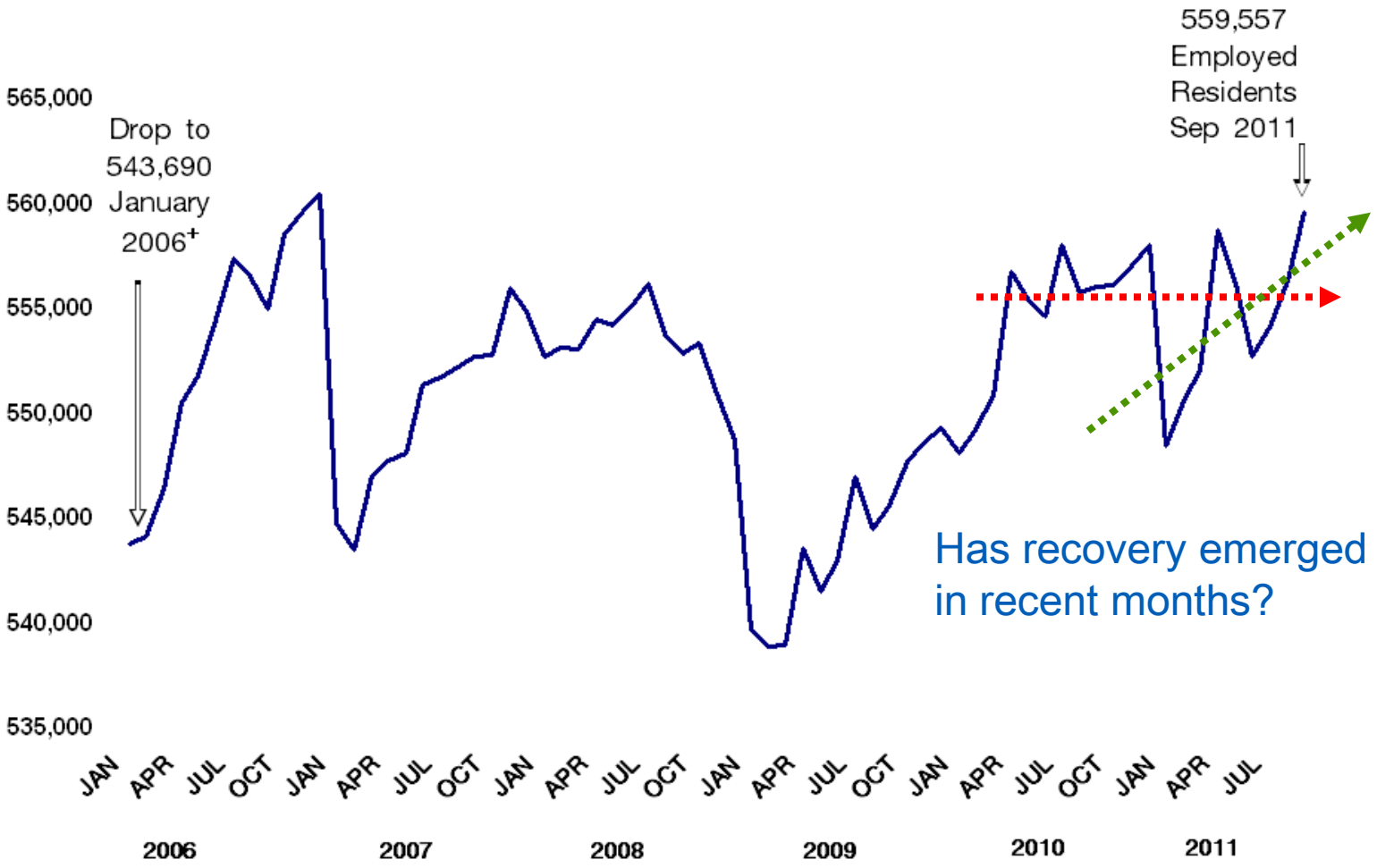
($ Billions)



Dallas employment is recovering

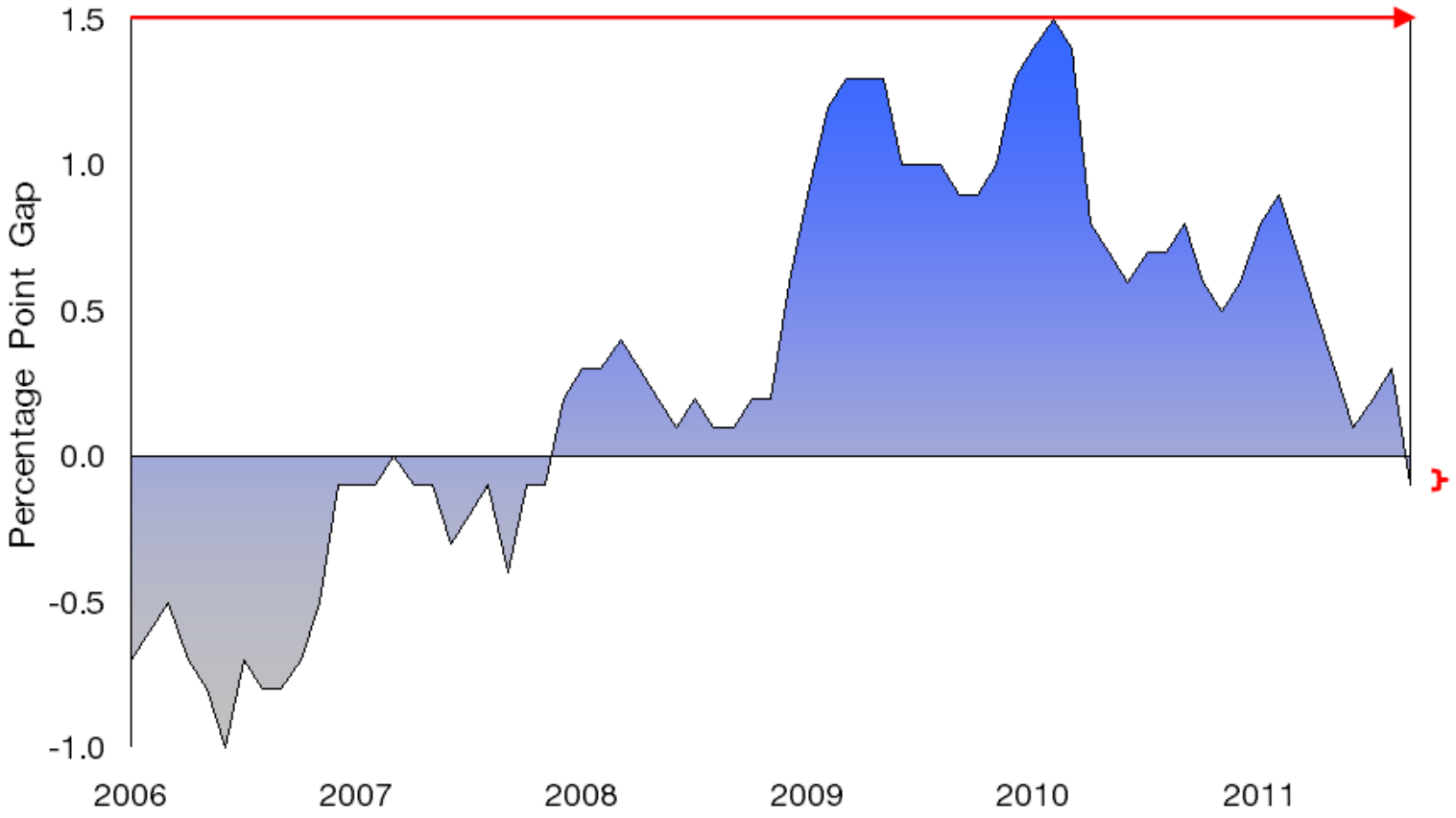


Resident employment may be recovering



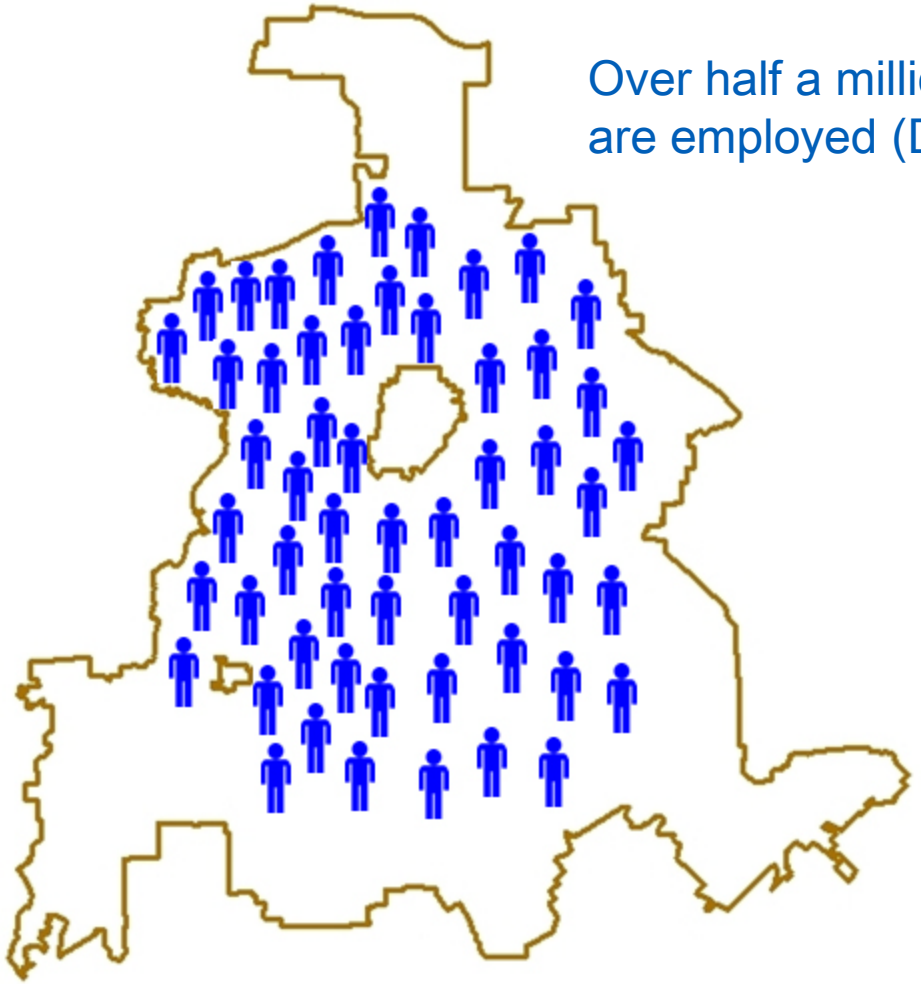
Dallas Unemployment Gap

(U.S. rate minus Dallas rate)



Dallas Workforce

(Residents who are employed = 554,000)

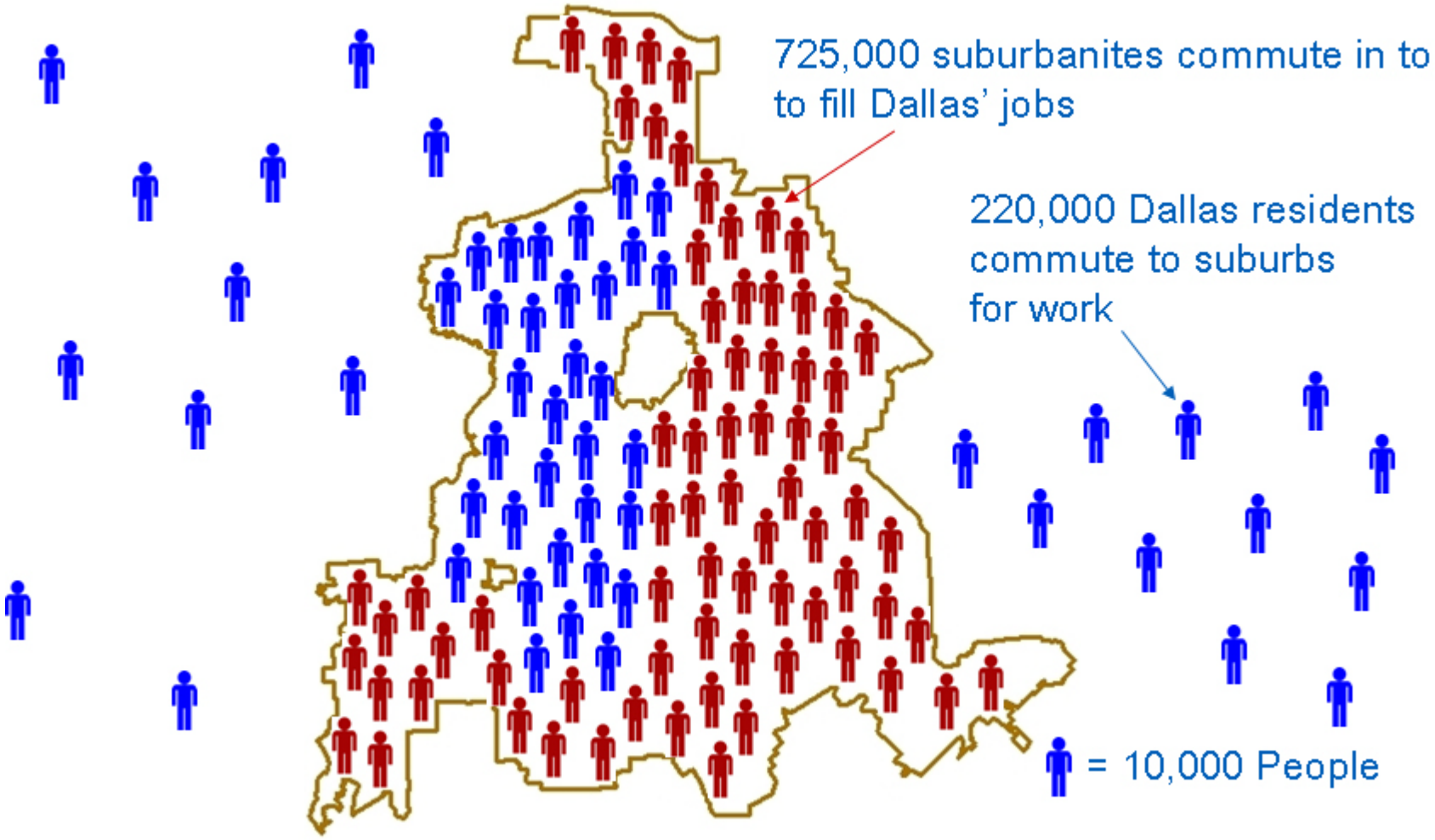


Over half a million Dallas residents are employed (Dallas workforce)

= 10,000 People

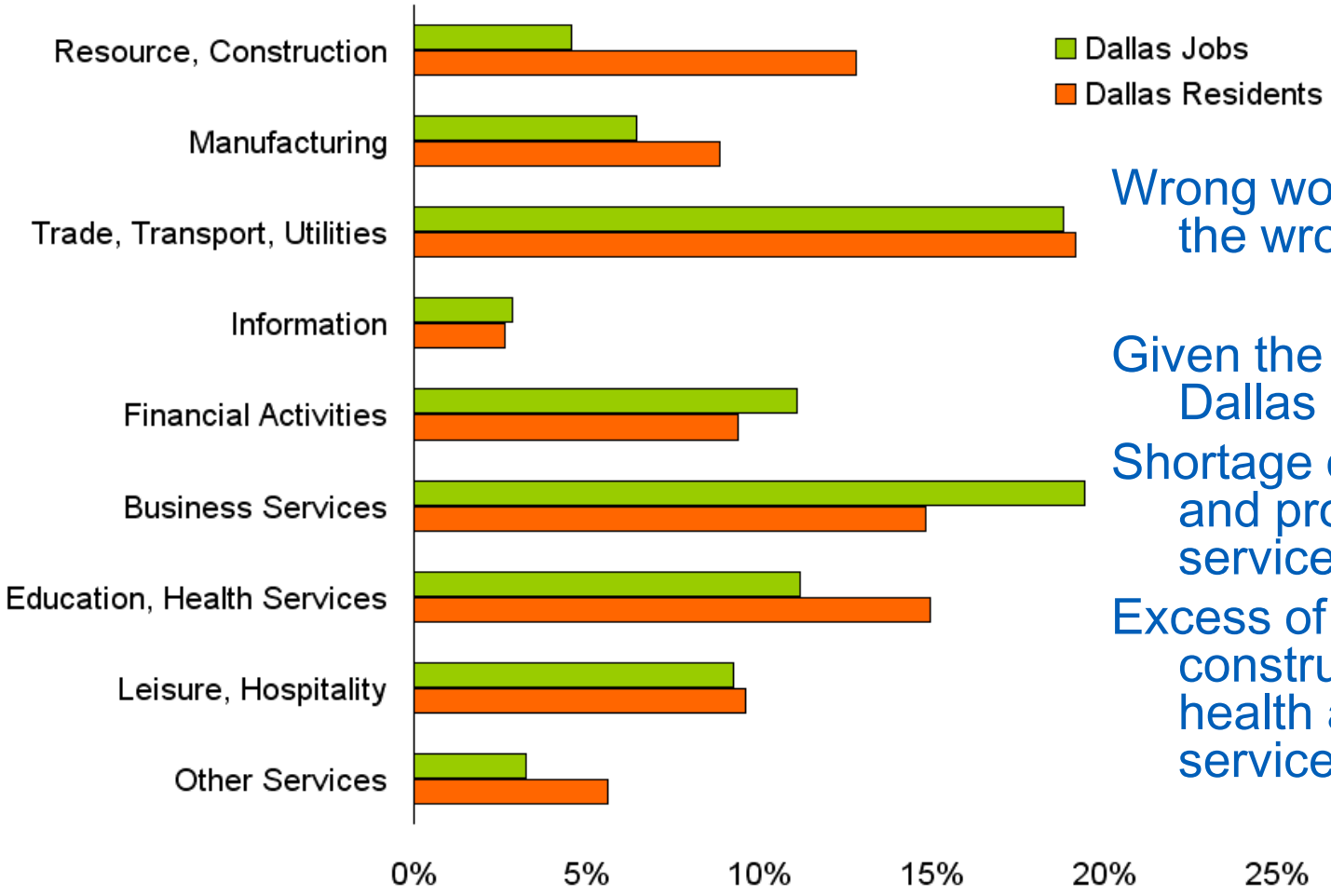
Dallas Employment

(Job positions = 1,059,000)



Jobs and workers are not aligned

(workforce and employment by industry)



Wrong workforce or the wrong jobs?

Given the job base Dallas has:

Shortage of financial and professional service workers

Excess of construction, health and other service workers

Source: OED Analysis and U.S. Census Bureau.

Higher unemployment than the region

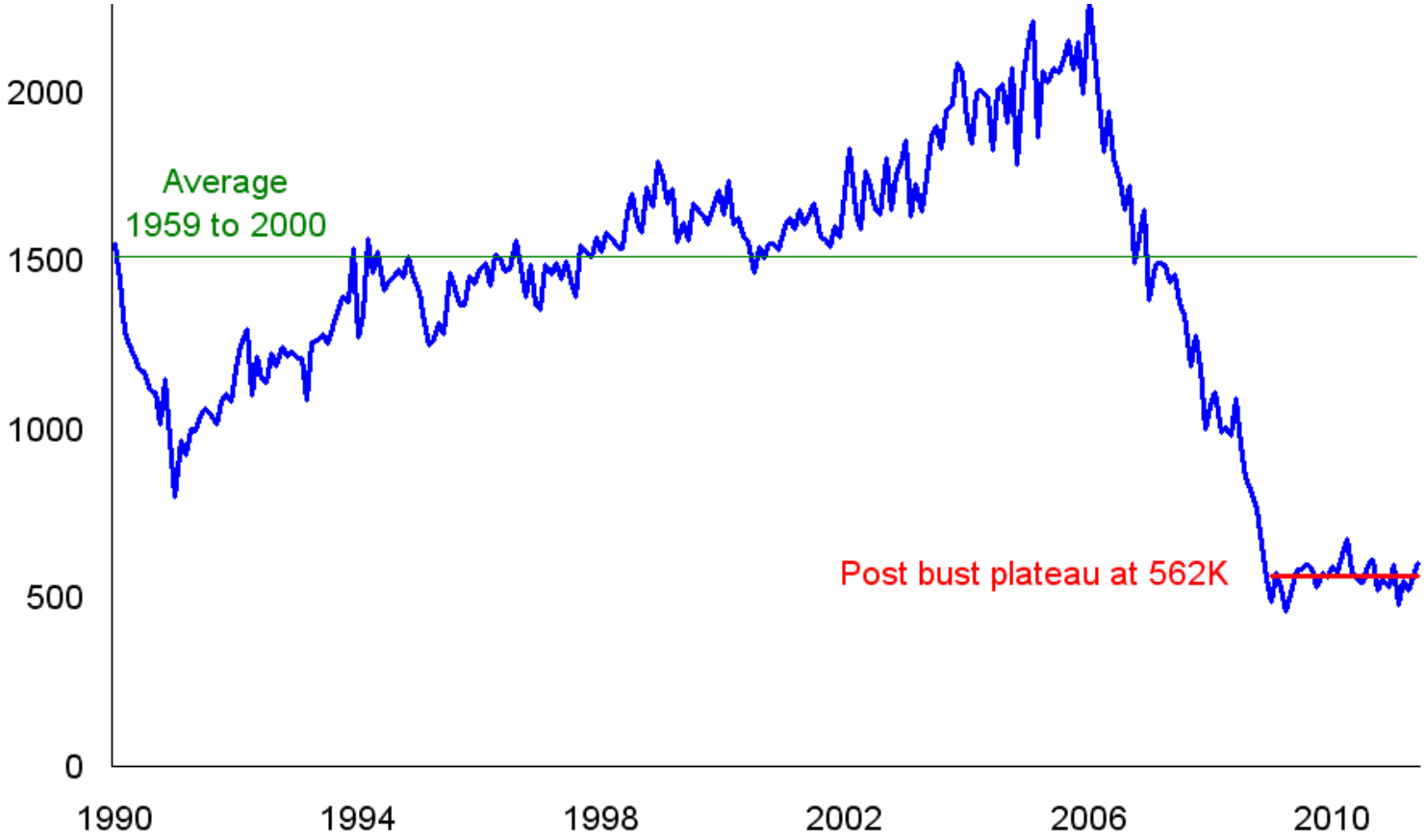
Partly because, given the characteristics of North Texas' industrial mix:

- Dallas' industry mix is concentrated in higher paying industries (jobs in city limits)
- Dallas' workforce is heavily concentrated in the lower paying, higher unemployment occupations (residents)

Housing remains flat

(New U.S. housing permits, annual average)

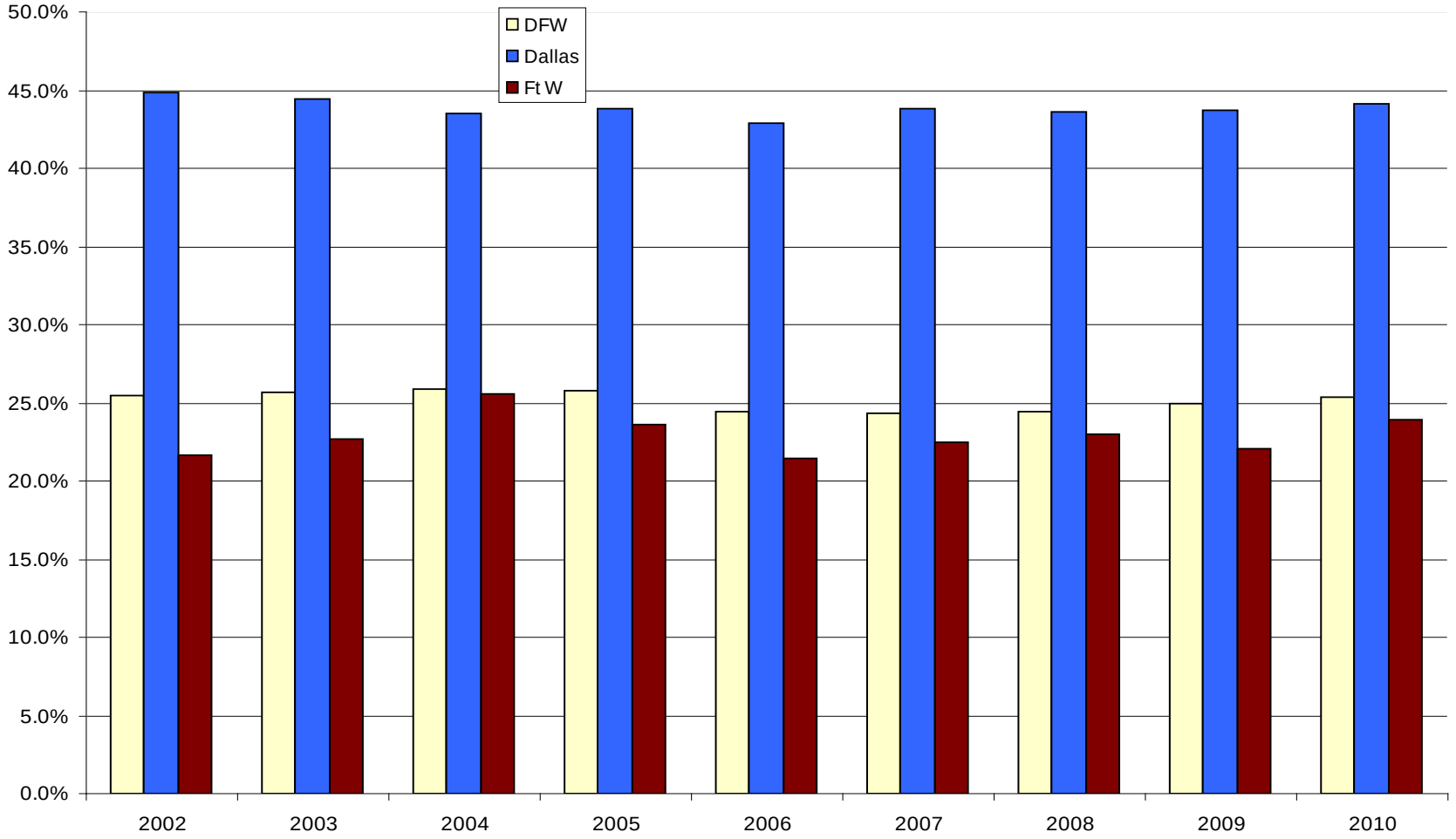
Housing markets overshot in many cities, but construction will only return when demand picks up or new, lower prices prevail.



Source: U.S. Census Bureau

Dallas has a large multifamily stock

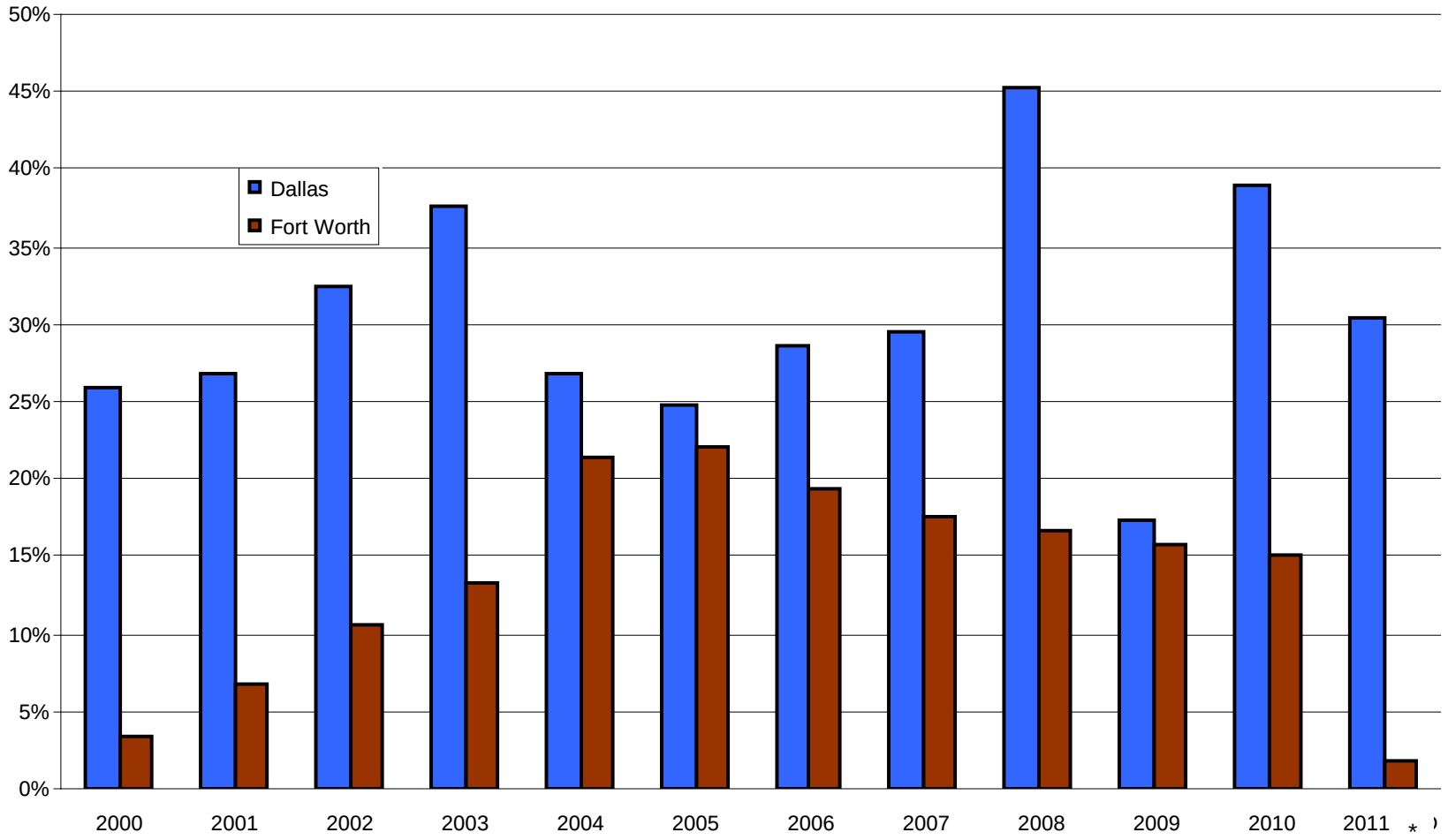
(% of existing units)



Source: American Community Survey

Dallas leads multifamily market in DFW

(% of Permits)



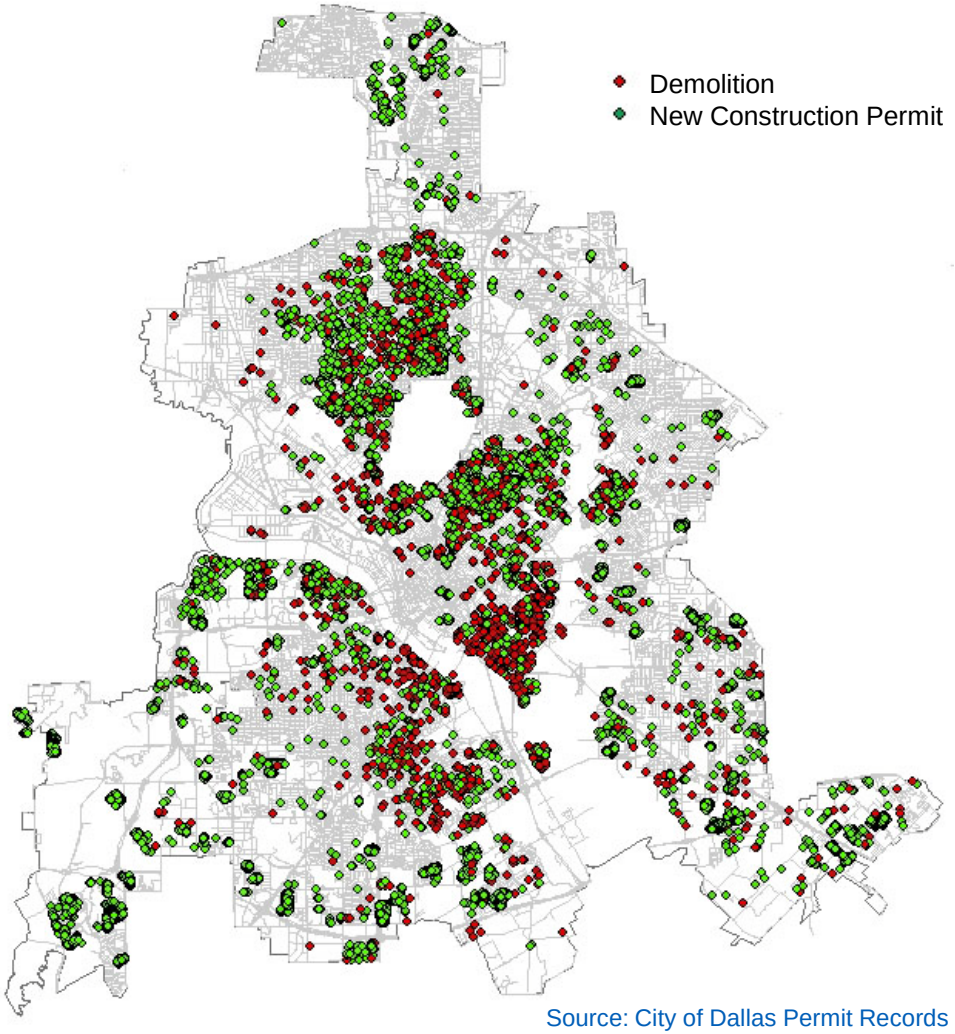
Source: Census.gov

*2011 includes data through Aug 2011

Single family replacement varies

(Construction and demolition permits since 2006)

New construction permits for single family units have been completed all over the city, with concentrations in Preston Hollow area of north Dallas and in-town neighborhoods near the Central Business District.



Source: City of Dallas Permit Records

Dallas is made of diverse submarkets

(MLS Reports, September 2011)

	Single Family Sales	Multifamily Sales	Single Family Median Price	Single Family Days on Market – 12 Month Change	Active Single Family Listings	Active Multifamily Listings
Dallas Far North	58	18	$277,250	8%	435	219
Dallas North	32	16	$675,000	-10%	402	118
Dallas East	135	18	$181,500	8%	923	190
Dallas Southeast	52	1	$50,500	2%	234	6
Dallas North Oak Cliff	68	7	$65,000	-27%	398	27
Dallas South Oak Cliff	32	1	$53,000	-39%	146	0
Dallas Northwest	44	2	$130,650	-5%	258	12
Dallas Oak Lawn	6	57	$90,000	-29%	69	581
Dallas Northeast	31	22	$219,710	-12%	239	139

Single Family Homes

- Number of Active Listings down 17-32% in all areas except Oak Lawn, which is only down 5% since October 2010.
- North Dallas is the most expensive area by $/sq ft, with Oak Lawn close behind.
- East Dallas is by far the most active area, with the most sales and the most active listings. Third highest $/sq ft.

Condos/Townhomes

- Active listings down at least 20% in all areas except Southeast, which had only 6 listings and 1 sale in October.
- Dallas Oak Lawn has the highest concentration and the highest priced condo/townhome market in Dallas, followed by northern areas (North, East, Northeast, and Far North.)

Source: Real Estate Center at Texas A&M University

Reasons for Dallas' challenging fiscal situation

- Severe recession
- Workforce/jobs mismatch (higher unemployment)
  - Job growth, employment stagnation
  - Higher unemployment rate occupations
  - Spatial mismatch
- Changing industry mix (lower taxable sales)
  - Fewer taxable goods-based businesses
  - More service businesses staffed by suburban residents (lack of housing investment)
- Housing market hourglass (limited choices)
  - Expensive homes and low price homes with little in the middle
  - Large clusters of aging multifamily
- Suburban competition
  - Traditional families are not the majority, but still set the standard for suburban housing.
  - Demand for middle and upper middle income housing and trustworthy schools.

Improving the Development-Fiscal Link

- Two broad strategies can improve the contribution made to the City's long-term fiscal health:
  1. Improving basic services and infrastructure.
  2. Maintaining policies that help the market take advantage of Dallas' urban assets
- Land use and transportation regulations and focused economic development incentives can nurture eclectic, historic neighborhoods and diverse cultural and entertainment districts.
- Dealing with the jobs-workforce mismatch is a longer-term issue and involves examining many policy areas including housing, economic development and service delivery.

Appendix

Economic Impact of the Barnett Shale

Perryman Group Study

(August 2011)

- Study covered 25 North Texas counties. Perryman Group *excluded* Dallas county from the study for methodological reasons and because there has been relatively little drilling activity in the county.
- Study Findings:
  - 9 trillion cubic feet of natural gas have been produced (1.8 trillion cubic feet in 2010)
  - 24 counties have producing wells, with permits issued for a 25th county
  - 70 rigs are currently drilling in the Barnett Shale
- The economic impact was defined to include: exploration, drilling, and related activity; pipeline investments and related operations; and royalties and lease bonuses.
- The 2011 total effect of Barnett Shale activity includes $11.1 billion in annual output and 100,268 jobs in the region.

Perryman Group Study (continued)

- For the state as a whole, Barnett Shale-related activity leads to estimated 2011 gains in output (gross product) of almost $13.7 billion as well as 119,216 jobs.
- Approximately 38.5% of the incremental growth in the economy of the region over the past decade has been the result of Barnett Shale activity.
- In 2011, counties, cities, and school districts in the region will receive some $730.6 million in additional fiscal revenues due to the Barnett Shale and related activity.
- The State will likely receive another $911.8 million, for a total gain in local and State taxes of an estimated $1.6 billion.

Memorandum

CITY OF DALLAS

DATE December 1, 2011

TO Honorable Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair), Tennell Atkins (Vice Chair), Monica R. Alonzo, Scott Griggs, Ann Margolin

SUBJECT Master Lease Program Briefing

On Monday, December 5, 2011, you will be briefed on the Master Lease Program. The briefing material is attached for your review.

If you have questions or need additional information, please let me know.

Jeanne Chipperfield
Chief Financial Officer

Attachment

cc: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
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CITY OF DALLAS

MASTER LEASE PROGRAM

BUDGET, FINANCE & AUDIT COMMITTEE

December 5, 2011

PURPOSE

- Discuss the benefits of establishing a master lease program to finance equipment purchases
- Review the selection process for a master lease provider
- Make an award recommendation

MASTER LEASE PROGRAM BACKGROUND

- Provides an alternative to Equipment Acquisition Notes to finance the purchase of heavy equipment , computer hardware/software, and other personal property with a minimum useful life of 3 years
- Allows "just-in-time-borrowing"
  - Contracts for eligible assets are awarded based on the master lease agreement
  - Lease draw downs are used to pay invoices or provide up-front funding for systems subject to multi-year implementation schedules

MASTER LEASE PROGRAM BACKGROUND

- Costs compare favorably to Equipment Acquisition Notes
  - Lower issuance costs
    - No financial advisory or paying agent bank fees
    - Legal expenses to review the master lease agreement and issue periodic legal opinions
  - Private placement with a financial institution
    - No rating required
  - Borrowing at comparable tax-exempt interest rates

MASTER LEASE PROGRAM BACKGROUND

- Interest rate for each lease set at the time funds are received
- Rate is fixed for the term of the lease
  - Lease term will not exceed the useful life of the equipment
  - Semi-annual equal payments of principal and interest
- Rate is based on an index published by the Federal Reserve Bank

MASTER LEASE PROGRAM SELECTION PROCESS

- Request for Proposals issued in August
- Five proposals received on September 14th:
  - Bank of America, N.A.
    - Banc of America Public Capital Corp
  - Carlyle Capital Markets, Inc.
  - JPMorgan Chase Bank, N.A.
    - Chase Equipment Finance
  - Pinnacle Public Finance, Inc.
  - SunTrust Equipment Finance & Leasing Corp.

MASTER LEASE PROGRAM SELECTION PROCESS

- Evaluation committee reviewed and evaluated the proposals:
  - Communication & Information Services
  - Controller's Office
  - Dallas Fire-Rescue
  - Financial Services
  - Sanitation Services
  - Business Development and Procurement Services
    - Evaluated BID Plan and Cost

MASTER LEASE PROGRAM SELECTION PROCESS

- Selection Criteria
  - 20% Demonstrated understanding of the City's needs and ability to meet them as well as responsiveness to the RFP
  - 20% Experience and reputation of the firm
  - 30% Fees
  - 15% Qualifications, time commitments and availability/accessibility of assigned staff/project management/references
  - 15% Business Inclusion and Development (BID) Plan

MASTER LEASE PROGRAM SELECTION PROCESS

- Evaluation committee recommends award of the master lease program to Bank of America
  - Most favorable terms of the five responses received
  - Texas government clients include the cities of El Paso, San Antonio, and Lubbock

RECOMMENDATION

- Award master lease agreement to Bank of America, N.A., on December 14th Council addendum

Memorandum

CITY OF DALLAS

DATE December 1, 2011

TO Honorable Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair), Tennell Atkins (Vice Chair), Monica R. Alonzo, Scott Griggs, Ann Margolin

SUBJECT American Recovery & Reinvestment Act (ARRA) Status Report

We have attached a presentation outlining the progress of ARRA-related projects through September 30, 2011. As indicated in the presentation, several of the stimulus-funded programs are completed or are nearing completion. Outcome data demonstrates that the programs are performing well and have been beneficial to the City in terms of public safety enhancements, long-term energy cost-savings, the provision of services for qualified persons in need of housing-related assistance, public services and transportation enhancements

ARRA funds have been audited internally and externally, with an overall indication that the funds are being well-managed. Additionally, all ARRA-related reports have been submitted timely, and we have received complimentary monitoring visits from the granting agencies.

To-date, these funds have resulted in the infusion of approximately $133 million in direct funding of City of Dallas programs and through transportation projects that benefit Dallas but are funded through other agencies. The impact to the City of Dallas has been substantial. The highlights of that impact as of September 30, 2011 include:

- Increases in public safety through the hiring of 91 additional officers.
- Improved ability to detect and prosecute cybercrimes against children.
- Cleaner and safer neighborhoods by funding Community Prosecution's efforts to cite and prosecute code violations that include debris removal, illegal dumping and boarding house violations.
- Enhancement and sustainability of the City's Green Building Code which ensures that new construction within the city of Dallas meets or exceeds national energy standards.
- Retrofitting of 103 City-owned buildings demonstrating our commitment to ensuring that our older buildings are more energy efficient. When all 145 buildings are completed, the estimated cost savings is $1.3 million annually.

- Purchasing and retrofitting 68 new energy-efficient vehicles.
- Construction of a compressed natural gas (CNG) station with 26 slow-fill pumps and one fast-fill.
- Weatherization of 685 single-family homes citywide and 326 multi-family units.
- Provision of housing and/or utility assistance to 4,276 at-risk families.
- Installation of ADA enhancements to the Martin Luther King, Jr. Center and the West Dallas Multi-Purpose Center to increase access for those with physical disabilities.
- Completion of sidewalk improvements in targeted areas which enhances neighborhood livability.
- Design, construction and/or reconstruction of major roadways in various parts of the City.

As indicated in the presentation, most of the ARRA projects will be closed out by September 30, 2012, with the exception of the TIGER project which has a performance period that ends in 2014.

If you have questions or need additional information, please let me know.

Jeanne Chipperfield
Chief Financial Officer

Attachment

cc: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa A. Rios, Acting City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
C. Victor Lander, Administrative Judge
A.C. Gonzalez, First Assistant City Manager
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Joey Zapata, Assistant City Manager
Edward Scott, City Controller
Stephanie Pegues-Cooper, Assistant to the City Manager

American Recovery and Reinvestment Act (ARRA)

Status Update
Period Ending September 30, 2011

Prepared by:
The Office of Intergovernmental Services
Management Services Department

Budget, Finance & Audit Committee
December 5, 2011

Key Focus Area
Economic Vibrancy

Table of Contents

- **Overview**
- **Public Safety**
- **Energy Efficiency**
- **Housing**
- **Public Infrastructure and Services**
- **Transportation**

Overview

ARRA was designed to inject money quickly into the economy by using mostly pre-existing programs, criteria, and funding methods. Money was distributed directly to federal agencies, states, and local governments using pre-existing funding formulas. Other funds were made available through federal, state and local entities via a competitive application process.

The City of Dallas benefitted from approximately $133 million through direct funding of City of Dallas programs and through projects within Dallas funded through other agencies.

Public Safety

Total Funds Received: $17,627,217

The City of Dallas received ARRA formula and competitive funding to support public safety efforts citywide. This funding includes grant resources to support:

Internet Crimes Against Children Initiative in its detection, investigation, and prosecution of internet-based crimes.

Byrne Justice Assistance Grant (JAG) and COPS programs to support salaries for a total of 91 new officers, to purchase public safety equipment, to assist in the case management of ex-offenders, to support four existing community prosecutors and to provide technology-enhancements that will assist with investigations, prosecution and data management.

Public Safety cont.
Internet Crimes Against Children

- The City received **$776,503** to fund two detectives, provide skills training and purchase equipment.
- To-date, the Police Department has expended $490,991, with reimbursements totaling $410,962.
- The project is **63% complete**.

Public Safety cont.
BYRNE JUSTICE ASSISTANCE GRANT (JAG)

- Administered by IGS, the City was awarded **$7,258,077.**
- The City serves as the **fiscal agent for 18 jurisdictions**, with funds utilized for activities that are law enforcement focused.
- Activities funded under this grant include the hiring of 41 new officers for one year, the purchase of uniforms and accessories for 152 officers, the purchase of 66 squad cars, partial funding for the Community Prosecution program, and partial funding for Project Reconnect's prisoner re-entry initiatives.
- To-date $6,660,700 has been expended. All funds were received in advance so no reimbursements are pending.
- The grant is **92% complete.**

Public Safety cont.
Byrne Justice Assistance (NCTCOG)

- The City received **$696,337** in competitive grant funds through the North Central Texas Council of Governments (NCTCOG).
- Funds were used to purchase servers and Visicad software that enhances the police department's ability to store and retrieve crime-related information.
- Additional funds were used to support officers working as monitors for the Central Business District Camera initiative.
- **100% of the funds from this grant have been expended**.

Public Safety cont.
COPS Hiring Recovery Program

- The City received **$8,896,300** in competitive funding.
- The Police Department has ensured that the 50 officer retention requirement has been met.
- To-date, $5,176,889 has been expended, with $4,094,741 reimbursed.
- The grant is approximately **61% complete**.

Public Safety Project Examples

New Officers hired with COPS and/or JAG funds

Public Safety Project Examples cont.

One of the graduating classes of police officers hired with COPS and/or JAG funds.

Public Safety Project Examples cont.

One of the 66 squad cars purchased with JAG funding.

Public Safety Project Examples cont.

JAG funding allowed the Community Prosecutor's Office to continue prosecuting severe code enforcement violations and other crimes thereby transforming neighborhoods. The pictures above show a home before and after intervention.

Public Safety Project Examples cont.

Before and after pictures of a junked car site cleared by Community Prosecution.

Energy Efficiency

Total Funds Received: $22,917,414

The City of Dallas received ARRA formula and competitive funding to support the City's long-term green initiatives. Over $11M was allocated for the retrofitting of approximately 145 City-owned buildings. Additional funds were used to implement the City of Dallas' Green Building Ordinance, which became effective October 1, 2009. Approximately $2.8M was allocated for the purchase and retrofit of energy-efficient vehicles and fueling stations. The remaining funds were allocated for weatherization activities in residential areas.

Energy Efficiency cont.
Energy Efficiency & Conservation Block Grant (EECBG)

- The City initially received an allocation of **$12,787,300.**
- The grant was divided into three major focus areas:
  - The Dallas Sustainable Communities Initiative
  - The 21st Century Municipal Building Program
  - The Green Building Office
- Both **the Dallas Sustainable Communities Initiative and the Green Building Office components are 100% complete.**
- Overall, the grant is **53% percent complete**, with more than **$7.2M in funds expended**.

Energy Efficiency cont.
Energy Efficiency & Conservation Block Grant (EECBG)

- The Dallas Sustainable Communities Initiative was allocated **$351,224**.
- The project was deemed a pilot project by the Department of Energy, with efforts focused on West Dallas.
- The project resulted in the weatherization of thirty-seven homes at an average expenditure of $5,000 per home.
- This component of the EECBG is **100% completed**.

Energy Efficiency cont.
Energy Efficiency & Conservation Block Grant (EECBG)

- The 21st Century Municipal Building Program was allocated **$11,179,708.**
- The program is on target, with a project completion date set for September 2012.
  - This component of the project **includes the retrofitting of 145 City-owned buildings**. **To-date 103 buildings have been completed.**
  - Retrofits include the replacement of inefficient lighting and control systems. Retrofits have been, or are scheduled to be, completed in all Council Districts.
  - This component also includes preventative maintenance activities that include controls and HVAC systems. **To-date 449 preventative maintenance projects** have been completed on City-owned buildings.
- **This component of the EECBG project is 71% complete.**

Energy Efficiency cont.
Energy Efficiency & Conservation Block Grant (EECBG)

- The Green Building Office was allocated **$366,051** in EECBG funds.
- The project built upon the City's 2009 adoption of a Green Building Code. EECBG funding allowed the City to develop training manuals, hire an additional 5 staff members, train existing staff on the plan review process, and develop third-party green orientation classes.
- As a result of the program, the Building Inspection Department has reviewed 2,495 residential plans, 779 commercial plans for structures under 50,000 s.f. and 86 commercial plans for structures over 50,000 s.f.
- **100% of the activity related to this component of the EECBG was completed as of September 30, 2011.**

Energy Efficiency cont.
Weatherization Assistance Program (WAP)

- The City of Dallas received an initial **allocation of $13M**. Subsequently, that amount was **reduced to $7,306,985**. The remaining funds were transferred to Dallas County to continue providing weatherization services to Dallas residents.
- Though the allocation was reduced, the City of Dallas completed residential energy retrofits on **648 single-family units and 326 multi-family units**.
- Staff is currently working with TDHCA to closeout the grant.
- The project is **100% complete** in terms of retrofitting activity.

Energy Efficiency cont.
Clean Cities

- The City of Dallas received **$2,828,129** in competitive funding through a NCTCOG request for proposals.
- The grant included purchasing and retrofitting energy efficient vehicles (see below) and installing charging/fuel stations:
  - 11 CNG rear loader refuse trucks on order. Expected delivery in April 2012.
  - 10 CNG dump trucks in service at Trinity Watershed Management
  - 7 CNG Hondas in service - 6 in Dallas Fire Rescue and 1 CNG Honda to Code
  - 27 Hybrids - 1 in service in DWU; 1 in Aviation; and the other 25 are at Make Ready being processed for DPD
  - 24 Electric trucks in service in DWU.
  - 4 charging stations have been purchased.
  - A slow-fill and fast-fill compressed natural gas (CNG) station was constructed.
- Approximately **36% of the grant funds have been expended**.

Energy Efficiency Project Examples

Sanitation vehicle purchased with Clean Cities funding.

Vehicle purchased with Clean Cities funding using the new charging station.

Energy Efficiency Project Examples

A new compressed natural gas (CNG) station was installed at 2768 Municipal Street using Clean Cities funding. The pictures show the site under construction and at completion. The station includes 26 slow-fill positions and a fast-fill pump. Construction is complete and electrical hook-ups are currently being installed.

Energy Efficiency Project Examples

Fast-fill pump at the newly constructed CNG station on Municipal Street.

Twenty-six (26) slow fill pumps at the newly constructed CNG station on Municipal Street.

Energy Efficiency Project Examples

Jack Evans Police Headquarters received LED lighting as a result EECBG.

The main Dallas Public Library received LED lighting and controls as a result of EECBG.

Energy Efficiency Project Examples

LED lighting replacement in the City Hall L1 garage. The project was completed with EECBG funding.

Energy Efficiency Project Examples

Preventative maintenance on an HVAC system completed with funds provided through EECBG.

Housing

Total Funds Received: $7,977,673

The City of Dallas has received ARRA formula and competitive funding to prevent homelessness and to assist in rapidly re-housing the newly homeless. The funds were used to provide short-term rental assistance, to help with utility payments, and to support some relocation of families.

Housing cont.

Homelessness Prevention and Rapid Re-Housing (HPRP) Federal

- The City received **$7,187,357** in funding.
- The program has **directly assisted 3,790 families**, with outreach conducted to over 6,000.
- Of the **$400K remaining, $200K will be offered as homeless prevention funding** through the MLK Center, the West Dallas Multi-Purpose Center, and The Bridge.
- To-date the program is **94% complete** with less than $400K in remaining expenditures.

Housing cont.
Homelessness Prevention and Rapid Re-housing (HPRP) State

- The City received **$790,316** in competitive funding through the Texas Department of Housing and Community Affairs (TDHCA).
- The program **directly assisted 486 families.**
- The program is **100% complete and all funds have been expended.**

Public Infrastructure and Services

Total Funds Received: $4,700,469

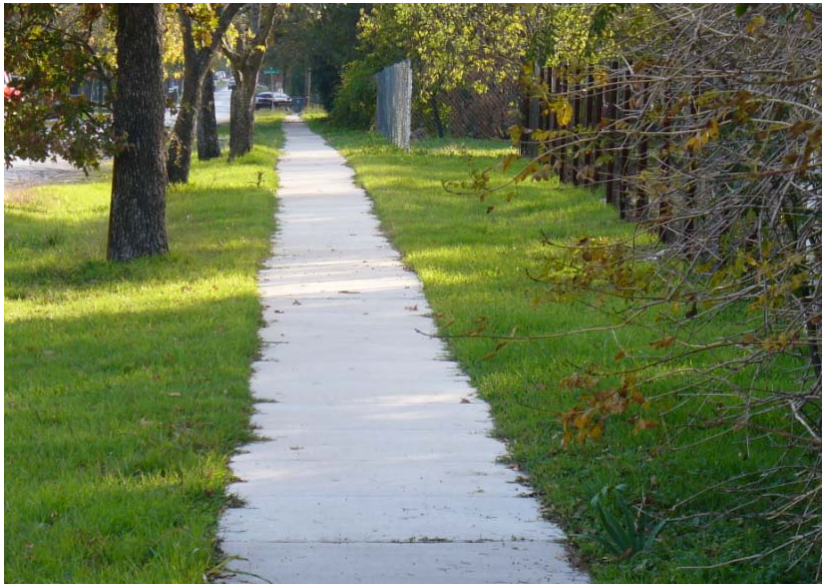
The City of Dallas received ARRA formula funds to support upgrades and repairs at facilities such as the Martin Luther King Jr. Center and the West Dallas Multi-Purpose Center. These improvements helped the facilities offer better customer service and improve ADA compliance.

Funds were also used to complete sidewalk improvements and support selected public services, including community courts, ex-offender case management, the low birth weight program, vocational training and employment services for adults with disabilities, and the food pantry and resources program.

Public Infrastructure and Services cont.
Community Development Block Grant (CDBG-R)

- The City received an allocation of **$4,700,469**.
- The grant was divided into three major focus areas:
  - Public Improvements that included facility upgrades at the MLK Center and the West Dallas Multi-Purpose Center; and, sidewalk improvements in target areas
  - Public Services including youth and senior programs, vocational and training for adults with disabilities, and the community food pantry.
  - Administration/Oversight
- To-date, the City has expended $4,312,535 with reimbursements totaling $4,310,293
- The project is **91% complete**.

Public Infrastructure and Services Project Examples



CDBG-R funded sidewalk improvements along Cheyenne Road (left) and Dilido Road (right).

Public Infrastructure and Services Project Examples

CDBG-R funded sidewalk and curb improvements along Rosewood Avenue (left) and Cheyenne Road (right).

Transportation Initiatives

Total Funds Received: $76,805,968

The City of Dallas will benefit from $46,745,968 in roadway projects through ARRA funds provided directly to the Texas Department of Transportation and the North Central Texas Council of Governments. An additional $30,060,000 in roadway projects will be implemented as a result of ARRA funding provided to the Regional Transportation Council (RTC) to complete other previously planned projects. These funds allowed the RTC to allocate funds for projects directly impacting Dallas.

Transportation Initiatives cont.
TIGER

- The City of Dallas will benefit from **$23M in TIGER I funding** received through a collaborative grant submission with NCTCOG.
- The project is at **10% design of the track system**.
- The FTA issued the Finding of Significant Impacts (FONSI) on July 2011.
- **An additional $3M was awarded** for the addition of passing tracks.
- **Approximately $1.6M in matching funds** have been expended on engineering and design work.
- The project is **scheduled for completion by October 2014**, with all federal funds expended in 2013.

Transportation Initiatives cont.
TIGER

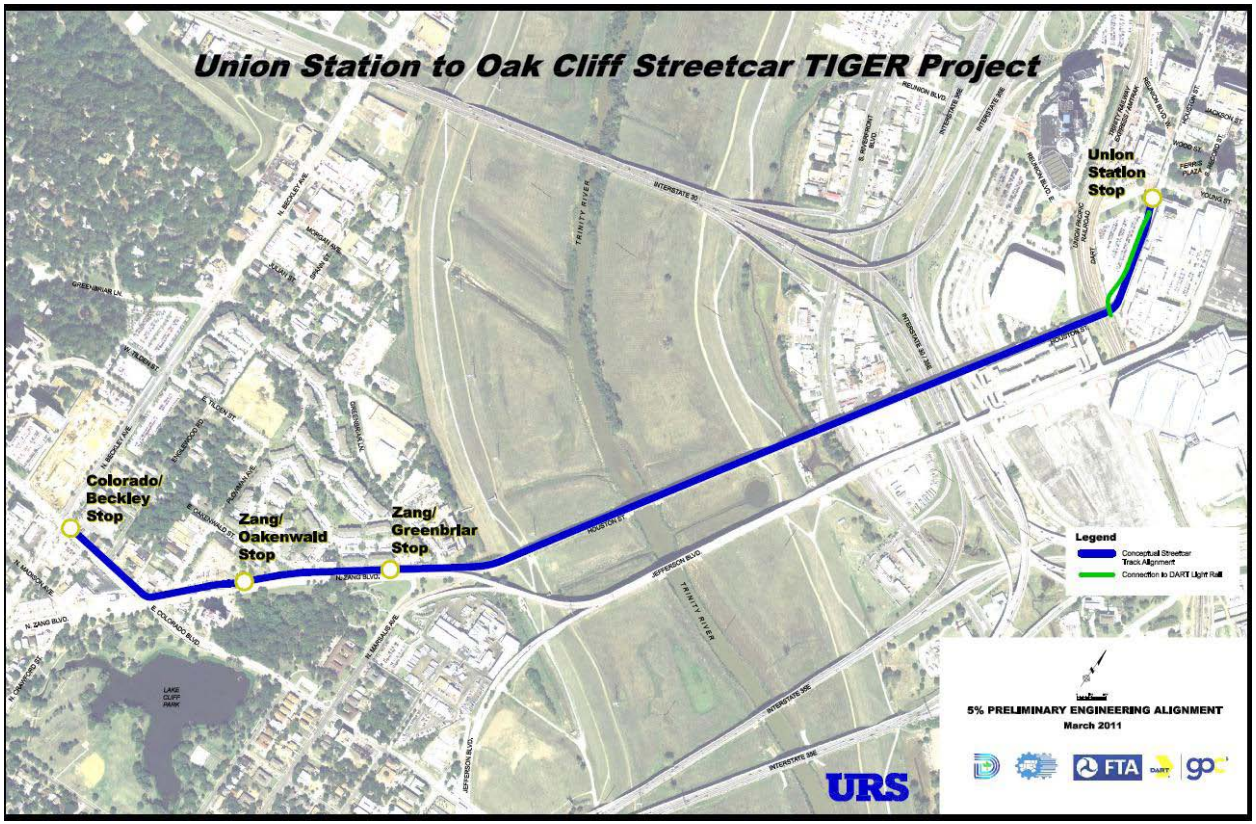


Illustration showing the 1.6 mile single-track streetcar alignment operating in a dedicated bi-directional streetcar lane.

Summary

- All ARRA funded projects are currently on-target and scheduled for completion by September 30, 2012, or shortly thereafter, with the exception of the TIGER project.
- ARRA projects resulted in the creation of 132 jobs and the retention of an additional 15 jobs within the City of Dallas organization.
- ARRA funds resulted in the issuance of contracts for project design, construction projects, weatherization, public services delivery and other activities that generated hundreds of additional jobs.

Memorandum

DATE December 1, 2011 CITY OF DALLAS

TO Members of the Budget, Finance and Audit Committee: Jerry R. Allen (Chair), Tennell Atkins (Vice Chair), Monica R. Alonzo, Scott Griggs, Ann Margolin

SUBJECT Fuel Management System Upgrade - Addendum Item for December 14, 2011

The subject item will request Council approval for the purchase and installation of hardware and software to upgrade the existing fuel management system through the United States General Services Administration Schedule Contract. Equipment and Building Services uses the current fuel management system to manage eight fuel islands that collectively receive and dispense approximately 6.8 million gallons of fuel annually. This system is no longer supported by the manufacturer and has been replaced by AssetWorks FuelFocus™ fuel management system.

An upgrade of the system is necessary to obtain technical support and to continue implementation and enhancement of a number of internal processes and controls in our fuel operations. Some of the most significant benefits of the upgraded system include an improved and integrated process for managing bulk fuel orders from vendors, receipt of bulk fuel deliveries, transaction-specific fuel issuance at the fuel islands, and bulk transfers of fuel within our system of storage tanks. In addition, the new system will provide greater reporting capabilities facilitating more accountable, efficient and effective fuel operations overall. The software manufacturer, AssetWorks, is also the provider of the City's fleet management system, so there should be seamless integration of the two.

We respectfully request your support for this addendum item. Please let me know if you have any questions or need additional information.

Jeanne Chipperfield
Chief Financial Officer

c: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
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