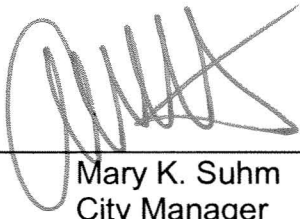


**MAY 16, 2012 CITY COUNCIL BRIEFING AGENDA
CERTIFICATION**

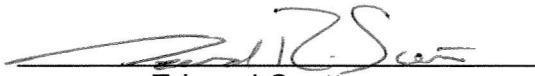
This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Briefing Agenda dated May 16, 2012. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



Mary K. Suhm
City Manager

5/11/12

Date



Edward Scott
City Controller

5/11/12

Date

RECEIVED

2012 MAY 11 PM 5:27

CITY SECRETARY
DALLAS, TEXAS



COUNCIL BRIEFING AGENDA

May 16, 2012

Date

(For General Information and Rules of Courtesy, Please See Opposite Side.)
(La Información General Y Reglas De Cortesía Que Deben Observarse
Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 before 9:00 a.m. on the meeting date. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. **The Council agenda is available in alternative formats upon request.**

If you have any questions about this agenda or comments or complaints about city services, call 311.

Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

Informacion General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaidía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner CityCable* Canal 16. El Ayuntamiento Municipal se reúne el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 9 de la mañana del día de la asamblea. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

Reglas de Cortesia

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal.

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que esté presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que esté presidiendo la sesión a tomar acción." Según la sección 3.3(c) de las reglas de procedimientos del Ayuntamiento.

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, MAY 16, 2012
CITY HALL
1500 MARILLA
DALLAS, TEXAS 75201
9:00 A.M.

9:00 am Invocation and Pledge of Allegiance 6ES

 Special Presentations

 Open Microphone Speakers

VOTING AGENDA 6ES

1. Approval of Minutes of the May 2, 2012 City Council Meeting
2. Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

ITEMS FOR INDIVIDUAL CONSIDERATION

City Controller's Office

3. An ordinance authorizing: **(1)** the issuance and sale of Certificates of Obligation Series 2012 in an amount not to exceed \$25,500,000; **(2)** establishing parameters regarding the sale of the Certificates of Obligation; and **(3)** execution of the Bond Purchase Agreement; and all other matters related thereto - Not to exceed \$145,840 - Financing: 2012 Certificates of Obligation

Park & Recreation

4. Authorize **(1)** the establishment of appropriations in the amount of \$25,500,000 in the Certificates of Obligation Series 2012 Fund; and **(2)** a contract for the design phase of a design-build services contract to Heery International, Inc. for the Cotton Bowl – 2013 Improvements in the amount of \$2,150,570, which includes the addition of club seating; renovation of the press box, concourses and concessions; addition of a facade at the north and south end zones; renovation of the existing facade; public art fees; and other improvements at the Cotton Bowl in Fair Park located at 3750 Midway Plaza - Not to exceed \$2,150,570 - Financing: 2006 Bond Funds (\$1,817,570 to be reimbursed upon receipt of the proceeds from the sale of Certificates of Obligation Series 2012)

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, MAY 16, 2012

ITEMS FOR INDIVIDUAL CONSIDERATION (Continued)

Park & Recreation (Continued)

5. Authorize **(1)** the first amendment to the Cotton Bowl Stadium Agreement with State Fair of Texas, University of Oklahoma, The University of Texas at Austin and the City of Dallas for the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$500,000 each beginning in 2016 through 2020, for a total of \$5,000,000; and **(2)** the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$75,000 each beginning in 2016 through 2020, for a total of \$750,000 - Total not to exceed \$5,750,000 - Financing: Current Funds (subject to annual appropriations)

Briefings

6ES

- A. Budget Workshop #3: FY 2012-13 Budget Development Update

Lunch **Police Memorial Ceremony**
(noon) **500 South Akard Street**
 Dallas, TX 75201
 (corner of Young Street and Akard Street)

- B. Report from the Council's Committee on Gas Drilling

Closed Session

6ES

Attorney Briefings (Sec. 551.071 T.O.M.A.)

- Stephanie Masciocchi v. City of Dallas, Cause No. cc-11-00737-A
- Bonifacio Fonseca and Salvador Acosta v. City of Dallas, Cause No. CC-09-09713-C
- Lavell Fairbanks v. Travis French, Cause No. 10-02144
- Legal issues under the Texas Public Information Act regarding requests for personally identifiable information.

AGENDA
CITY COUNCIL BRIEFING MEETING
WEDNESDAY, MAY 16, 2012

Open Microphone Speakers

6ES

The above schedule represents an estimate of the order for the indicated briefings and is subject to change at any time. Current agenda information may be obtained by calling (214) 670-3100 during working hours.

Note: An expression of preference or a preliminary vote may be taken by the Council on any of the briefing items.

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.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

AGENDA ITEM # 3

KEY FOCUS AREA: Make Government More Efficient, Effective and Economical

AGENDA DATE: May 16, 2012

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller

CMO: Jeanne Chipperfield, 670-7804

MAPSCO: N/A

SUBJECT

An ordinance authorizing: **(1)** the issuance and sale of Certificates of Obligation Series 2012 in an amount not to exceed \$25,500,000; **(2)** establishing parameters regarding the sale of the Certificates of Obligation; and **(3)** execution of the Bond Purchase Agreement; and all other matters related thereto - Not to exceed \$145,840 - Financing: 2012 Certificates of Obligation

BACKGROUND

Pursuant to elections held November 1995, May 2003, and November 2006, the residents of Dallas voted and authorized the City to issue general obligation bonds for the purpose of providing funds for permanent public improvements, to-wit: planning, designing, constructing, improving, renovating, repairing, replacing, expanding, equipping, and acquiring land for park and recreation facilities, including Fair Park. Over the life of the project, beginning with the November 1995 election and of the Resident/Council authorized and issued bonds, the Parks and Recreation Department spent approximately \$51,500,000 (not including interest) on Cotton Bowl renovations.

City Council authorization is required to begin preparations for the sale.

This ordinance will authorize, subject to parameters, city staff and financial advisors to:

Conduct a competitive sale and issuance of Certificate of Obligations, Series 2012 with the underwriting syndicated on any business day on and after May 16, 2012 and before November 16, 2012, and establish the par amount (not to exceed \$25,500,00) of certificates issued. The ordinance will authorize the City Manager to award the Certificates. The Certificates shall not bear interest at a rate greater than the maximum rate authorized by Chapter 1204, Texas Government Code as amended. Maximum maturity for the Certificates shall not exceed 10 years.

ESTIMATED SCHEDULE OF PROJECT

Authorize preparation for issuance of CO	April 11, 2012
1st publication of notice of intention to issue CO	April 13, 2012
2nd publication of notice of intention to issue CO	April 20, 2012
Approval of parameters ordinance	May 16, 2012
Receive and accept bids	June 06, 2012
Delivery of Proceeds	June 26, 2012

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Budget, Finance, & Audit Committee was briefed on April 2, 2012 regarding the Cotton Bowl, Fair Park, Certificates of Obligation sale.

City Council was briefed on April 4, 2012 regarding the June 2012 certificate sale.

The City Council authorized preparations of plans for the issuance of Certificates of Obligation, Series 2012 on April 11, 2012, by Resolution No.12-1034.

FISCAL INFORMATION

See attachment Schedule I

M/WBE INFORMATION

The attached Schedule I provides an estimate of bond issuance costs (paid out of proceeds and interest earnings) for proposed Series 2012 Certificate of Obligations and the M/WBE participation.

SCHEDULE I

\$25,500,000.00

Certificates of Obligation, Series 2012

ESTIMATED TOTAL COST OF ISSUANCE

Co-Bond Counsel

Bracewell & Giuliani	\$26,775	18.36%
West & Associates	20,825	14.28%

Co-Financial Advisors

First Southwest Company	19,170	13.14%
Estrada Hinojosa	12,780	8.76%

Official Statement Typing Fee

1,500 1.03%

Official Statement Printing Fee

10,000 6.86%

Rating Agencies

Moody's Investors Service	21,000	14.40%
Standard & Poor's	15,640	10.72%

Auditor

Grant Thornton	7,650	5.25%
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Dallas Morning News

1,000 0.69%

Filing Fee

Attorney General Office	9,500	6.51%
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Grand Total

\$145,840 100.00%

*Total M/WBE Participation as % of Total Issuance Costs: 23.04%

ORDINANCE
AUTHORIZING THE ISSUANCE OF

CITY OF DALLAS, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2012

Adopted: May 16, 2012

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ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS, AUTHORIZING THE ISSUANCE OF CITY OF DALLAS, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$25,500,000 LEVYING AND REQUIRING ASSESSMENT OF AND COLLECTION OF A CONTINUING DIRECT ANNUAL AD VALOREM TAX ON ALL TAXABLE PROPERTY WITHIN THE CITY TO PAY THE INTEREST ON SUCH CERTIFICATES AND TO CREATE A SINKING FUND FOR THE PAYMENT THEREOF AT MATURITY; AWARDING THE SALE OF THE CERTIFICATES; APPROVING THE OFFICIAL STATEMENT; ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, under the provisions of Subchapter C of Chapter 271, Texas Local Government Code, as amended (the "Act"), the City of Dallas, Texas (the "City"), is authorized to issue certificates of obligation for the purposes specified in this Ordinance and for the payment of all or a portion of the costs of professional services, including that of engineers, attorneys, and financial advisors in connection therewith, and to sell the same for cash as herein provided; and

WHEREAS, the City is authorized to provide that such obligations will be payable from and secured by the levy of a direct and continuing ad valorem tax against all taxable property within the City, in combination with all or a part of any "Surplus Revenues" (as defined herein) of the City's Municipal Drainage Utility System remaining after payment of any obligations of the City payable in whole or in part from a lien or pledge of such revenues, pursuant to Section 402.041 et seq., Texas Local Government Code, such pledge of Surplus Revenues, however, being limited to \$1,000; and

WHEREAS, pursuant to a resolution passed by this governing body (the "City Council"), notice of intention to issue the Certificates was published in a newspaper of general circulation in the City at the times and in the manner required by the Act; and

WHEREAS, no petition of any kind has been filed with the City Secretary, any member of the City Council or any other official of the City, protesting the issuance of the Certificates; and

WHEREAS, the City Council is now authorized and empowered to proceed with the issuance and sale of the Certificates, and has found and determined that it is necessary and in the best interests of the City and its citizens that it authorize the issuance of the Certificates in accordance with the terms and provisions of this Ordinance at this time;

WHEREAS, the City Council desires to delegate, pursuant to Chapter 1371, Texas Government Code, as amended, and the parameters of this Ordinance, to the Authorized Officer, the authority to approve the amount, the interest rate, the price and terms of the Certificates

authorized hereby and to otherwise take such actions as are necessary and appropriate to effect the sale of the Certificates;

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and public notice of the time, place, and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

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

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions. Unless otherwise expressly provided or unless the context clearly requires otherwise in this Ordinance, the following terms shall have the meanings specified below:

“Authorized Officer” means the City Manager of the City, and in her absence, any Assistant City Manager.

“Business Day” means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

“Certificate” means any of the Certificates.

“Certificates” means the City’s certificates of obligation entitled “City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2010” authorized to be issued by Section 3.01 of this Ordinance.

“Charter” means the Home Rule Charter of the City, as amended.

“Closing Date” means the date of the initial delivery of and payment for the Certificates.

“Code” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

“Construction Fund” means the construction fund established by Section 7.01 of this Ordinance.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its corporate trust office in Dallas, Texas, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“DTC” shall mean The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the Electronic Municipal Market Access System.

“Event of Default” means any Event of Default as defined in Section 10.01 of this Ordinance.

“Fiscal Year” means such fiscal year as shall be prescribed by the Charter and which under the existing Charter commences October 1 and ends September 30 of the following year.

“Initial Certificate” means the Initial Certificate described in Section 3.04(d) and Section 6.02(d) of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 7.01 of this Ordinance.

“Interest Payment Date” means the date or dates upon which interest on the Certificates is scheduled to be paid until the maturity of the Certificates, such dates being February 15 and August 15 of each year, commencing the date set forth in the Pricing Certificate.

“MSRB” means the Municipal Securities Rulemaking Board.

“Original Issue Date” means the date designated as such in Section 3.02(a) of this Ordinance.

“Owner” means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

“Paying Agent/Registrar” means U.S. Bank National Association, any successor thereto or any entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance.

“Pricing Certificate” means a certificate or certificates to be signed by the Authorized Officer.

“Project” means (i) planning, designing, purchasing, constructing, equipping, improving and replacing facilities and infrastructure at the City-owned Cotton Bowl within Fair Park (the “Project”) and (ii) payment of professional services of attorneys, financial advisors and other professionals in connection with the Project.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Register” means the Register specified in Section 3.06(a) of this Ordinance.

“Representation Letter” means the Blanket Letter of Representations between the City and DTC.

“Representative” means the representative for the Underwriters named in the Purchase Agreement.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b).

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“Surplus Revenues” means an amount not to exceed \$1,000, of the revenues of the System available after deduction of the reasonable expense of operation and maintenance of the System and payment of all debt service, reserve and other requirements with respect to all of the City’s revenue bonds and other obligations heretofore or hereafter issued that are payable from and secured by a lien on and pledge of all or part of the net revenues of the System.

“Surplus Revenues Fund” means the surplus revenues fund established by Section 7.01 of this Ordinance.

“System” means the City’s Municipal Drainage Utility System.

“Unclaimed Payments” means money deposited with the Paying Agent/ Registrar for the payment of principal of or interest on the Certificates as the same come due and payable and remaining unclaimed by the Owners of such Certificates for 90 days after the applicable payment date.

“Underwriters” means the underwriters named in the Purchase Agreement.

Section 1.02. Other Definitions. The terms “Act,” “City Council,” and “City” shall have the respective meanings assigned in the preamble to this Ordinance.

Section 1.03. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter

genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Ordinance.

(c) Article and section references shall mean references to articles and sections of this Ordinance unless designated otherwise.

ARTICLE II

SECURITY FOR THE CERTIFICATES

Section 2.01. Tax Levy and Other Security for Payment of the Certificates. (a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Certificates, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Certificates, being (i) the interest on the Certificates, and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent per annum (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter while the Certificates or interest thereon remain outstanding and unpaid, a tax within legal limitations on each \$100 assessed valuation of taxable property in the City that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Certificates, and the tax shall not be diverted to any other purpose.

(d) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Certificates when and as due and payable in accordance with their terms and this Ordinance.

(e) The amount of taxes to be provided annually for the payment of principal of and interest on the Certificates shall be determined and accomplished in the following manner:

(i) the City's annual budget shall reflect (A) the amount of debt service to become due on the Certificates in the next succeeding Fiscal Year of the City, (B) the amount on deposit in the Surplus Revenues Fund available to pay the debt service on the Certificates and the Interest and Sinking Fund, as of the date the budget is prepared (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year), and (C) the amount of Surplus Revenues estimated to be collected and available for the payment of such debt service requirements on the Certificates during the succeeding Fiscal Year of the City;

(ii) the amount required to be provided in the succeeding Fiscal Year of the City from ad valorem taxes shall be the amount, if any, that the debt service requirements to be paid on the Certificates in the next succeeding Fiscal Year exceeds the sum of (A) the amount shown to be on deposit in the Surplus Revenues Fund and the Interest and Sinking Fund (after giving effect to the payments required to be made during the remainder of the then current Fiscal Year) at the time the annual budget is prepared, and (B) the Surplus Revenues shown to be budgeted and available for payment of debt service on the Certificates.

(iii) Following the final approval of the annual budget of the City, the governing body of the City shall, by ordinance, levy an ad valorem tax at a rate sufficient to produce taxes in the amount determined in paragraph (ii) above, to be utilized for purposes of paying the principal of and interest on the Certificates in the next succeeding Fiscal Year of the City.

(f) If the liens and provisions of this Ordinance shall be released in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Certificates, there shall be subtracted the amount of any Certificates for which money has been deposited in accordance with Article XI herein.

Section 2.02. Revenue Pledge. The City hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged to the payment of the principal of and interest on the Certificates as the same become due.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

Section 3.01. Authorization. The City's certificates of obligation to be designated "City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2010" (the "Certificates"), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, specifically Subchapter C, Chapter 271, Texas Local Government Code, as amended and Chapter 1371, Texas Government Code, as amended, and the Charter of the City. The Certificates shall be issued in the aggregate principal amount designated in the Pricing Certificate, such amount not to exceed \$25,500,000, for the public purpose of (i) paying the costs of the Project and (ii) paying for professional services of attorneys, financial advisors and other professionals in connection with the Project and (iii) paying the costs of issuance of the Certificates, all as set forth in the preamble hereof, under and by virtue of the Act and pursuant to Chapter XXI of the Charter of the City.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest. (a) The Certificates shall have the Original Issue Date set forth in the Pricing Certificate, shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof,

and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar except the Initial Certificate, which shall be numbered T-1.

(b) The Certificates shall mature on the date, in the years, at the interest rates and in the principal amounts set forth in the Pricing Certificate provided that the maximum maturity for the Certificates shall not exceed ten years.

(c) Interest shall accrue and be paid on each Certificate respectively until its maturity, from the later of the Original Issue Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the Pricing Certificate. Such interest shall be payable semiannually on each Interest Payment Date until the principal amount shall have been paid or provision for such payment shall have been made, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.03. Medium, Method and Place of Payment; Unclaimed Payments. (a) The principal of and interest on the Certificates shall be paid in lawful money of the United States of America.

(b) Interest on the Certificates shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, in the event of nonpayment of interest on a scheduled Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") shall be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Certificate appearing on the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on the Certificates shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment, first class United States mail, postage prepaid, to the address of such person as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Certificate shall be paid to the person in whose name such Certificate is registered on the due date thereof upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office.

(e) If the date for the payment of the principal of or interest on any Certificate is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday,

legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Unclaimed Payments shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Certificates to which the Unclaimed Payments pertain. Subject to the provisions of Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment date shall be applied to the next payment or payments on the Certificates thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Certificates, shall be paid to the City to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar nor any other person shall be liable or responsible to any Owners of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to any applicable escheat law or similar law.

Section 3.04. Execution and Initial Registration. (a) The Certificates shall be executed on behalf of the City by the Mayor and countersigned by the City Secretary and the City Manager, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Any facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the official seal of the City had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

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

(d) On the Closing Date, a single typewritten Certificate (the "Initial Certificate") representing the entire principal amount of the Certificates, payable in stated installments to the Representative or its designee, executed by manual or facsimile signature of the Mayor and countersigned by manual or facsimile signatures of the City Secretary and the City Manager, approved by the Attorney General, and registered and manually signed by the Comptroller of

Public Accounts, will be delivered to the Representative or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Representative registered definitive Certificates as described in Section 3.10(a). To the extent the Paying Agent/Registrar is eligible to participate in DTC's FAST System, as evidenced by agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Certificates in safekeeping for DTC.

Section 3.05. Ownership. (a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Certificate is registered on the Record Date or on the Special Record Date, as applicable), and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Certificate in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange. (a) So long as any Certificates remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Ordinance.

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

(c) Any Certificate may be exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the Owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Certificate or Certificates of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Certificate presented for exchange. To the extent possible, a new Certificate or Certificates shall

be delivered by the Paying Agent/Registrar to the Owner of the Certificate or Certificates within not more than three Business Days after receipt of the Certificate to be exchanged in proper form and with proper instructions directing such exchange.

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

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer or exchange of Certificates, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Certificate. In addition, the City hereby covenants with the Owners of the Certificates that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Certificates, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration and exchange of Certificates as provided herein.

Section 3.07. Cancellation and Authentication. (a) All Certificates paid in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Ordinance, shall be canceled upon the making of proper records regarding such payment, exchange or replacement. Canceled Certificates shall be disposed of in accordance with the requirements of the Securities and Exchange Act of 1934 and the regulations promulgated thereunder.

(b) Each substitute Certificate issued pursuant to the provisions of Sections 3.06 and 3.09 of this Ordinance, in exchange for or replacement of any Certificate or Certificates issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, manually sign and date such Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing exchange or replacement of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates in the manner prescribed herein, and said Certificates shall be of customary type and composition and printed, typewritten, lithographed, mimeographed or otherwise produced. Pursuant to Chapter 1201, Texas Government Code, the duty of exchange or replacement of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the exchanged or replaced Certificates shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Certificate which was originally

delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Certificates issued in exchange or replacement of any other Certificate or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the registered owners thereof, (ii) may be transferred and assigned, (iii) may be exchanged for other Certificates, (iv) shall have the characteristics, (v) shall be signed and sealed, and (vi) shall be payable as to principal and interest, all as provided, and in the manner required or indicated, in the Form of Certificate set forth in this Ordinance.

Section 3.08. Temporary Certificates. (a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

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

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Certificates in definitive form; thereupon, upon the presentation and surrender of the Certificate or Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Certificates in temporary form and authenticate and deliver in exchange therefor a Certificate or Certificates of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificate or Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Certificates. (a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

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

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

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

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

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

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, without the necessity of issuing a replacement Certificate, may pay such Certificate on the date on which such Certificate becomes due and payable.

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

Section 3.10. Book-Entry-Only System. (a) The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of or

interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of and interest on the Certificates, for the purpose of giving notices of other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the register, shall receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter between the City and DTC applicable to the City's obligations delivered in book-entry-only form to DTC as securities depository for said obligations, is hereby affirmed with respect to the Certificates.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts, as identified by DTC. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE IV

REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Limitation on Redemption. The Certificates are not subject to redemption prior to scheduled maturity.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar. (a) The City hereby appoints Wells Fargo Bank National Association, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of the Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Register confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all exchanges and replacements of such Certificates, as provided in this Ordinance.

Section 5.02. Paying Agent/Registrar Contract. The City and the Paying Agent/Registrar have entered into a Paying Agent/Registrar Contract, effective as of August 1, 2005, as supplemented on May 1, 2008, outlining the services to be provided by the Paying Agent/Registrar with respect to certain obligations issued by the City after May 1, 2010 through April 30, 2013. Said Contract provides that the Paying Agent/Registrar accepts its appointment as Paying Agent/Registrar “in accordance with the terms of the . . . Bond Resolutions . . . In the event of conflict, the . . . respective Bond Resolutions shall be final and binding.” In that regard, by accepting the positions of paying agent and registrar, the Paying Agent agrees that in the event that it shall resign its position as Paying Agent/Registrar, it will continue to serve in such capacity until such time as a successor assumes such duties under this Ordinance. In addition, the Paying Agent agrees that, so long as required by Texas law, a true and correct copy of the Register shall at all times be maintained in the State of Texas.

Section 5.03. Qualifications. Each Paying Agent/Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.04. Maintaining Paying Agent/Registrar. (a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

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

Section 5.05. Termination. The City reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the City (i) giving notice of the termination of the appointment and of any contractual agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar.

Section 5.06. Notice of Change to Owners. Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.07. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.08. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar and to the City.

ARTICLE VI

FORM OF THE CERTIFICATES

Section 6.01. Form Generally. (a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to accompany the Initial Certificate, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by the Pricing Certificate and this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Certificates, as evidenced by their execution thereof.

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

(c) The Certificates (except for any temporary Certificates and the Initial Certificate) shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

Section 6.02. Form of the Certificates. The form of the Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

(a) Form of Certificate.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas
CITY OF DALLAS, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATE OF OBLIGATION
SERIES 2012

INTEREST RATE: MATURITY DATE: ORIGINAL ISSUE DATE: CUSIP NO.
_____% _____, _____¹ _____

The City of Dallas (the "City"), in the Counties of Dallas, Denton, Collin and Rockwall, State of Texas, for value received, hereby promises to pay to

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

_____ DOLLARS

and to pay interest on the unpaid principal amount hereof from the later of the Original Issue Date specified above or the most recent Interest Payment Date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the interest rate per annum specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on _____² and _____³ of each year, commencing _____⁴. All capitalized terms used herein but not defined shall have the meaning assigned to them in the Ordinance (defined below).

¹ Information to be inserted from Pricing Certificate.

² Information to be inserted from Pricing Certificate.

³ Information to be inserted from Pricing Certificate.

⁴ Information to be inserted from Pricing Certificate.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office") of Wells Fargo Bank National Association, or with respect to a successor Paying Agent/Registrar, at the designated payment/transfer office of such successor. Interest on this Certificate is payable by check dated as of the Interest Payment Date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of, the person to whom interest is to be paid. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this Certificate is registered at the close of business on the "Record Date," which shall be the last Business Day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on this Certificate is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Certificate is one of a series of fully registered certificates specified in the title hereof issued in the aggregate principal amount of \$_____⁵ (herein referred to as the "Certificates"), issued pursuant to a certain Ordinance of the City Council of the City (the "Ordinance") for the purpose of paying the costs of the Project as described in the Ordinance and (ii) for the payment of professional services of attorneys, financial advisors and other professionals in connection with the Project and (iii) for the payment of the costs of issuance of the Certificates.

The Certificates and the interest thereon are payable from the levy of a direct and continuing ad valorem tax, within the limit prescribed by law, against all taxable property in the City and from a pledge of Surplus Revenues, derived by the City from the operation of the City's Municipal Drainage Utility System, limited to an amount not to exceed \$1,000, all as described and provided in the Ordinance.

The Certificates are not subject to redemption prior to scheduled maturity.

⁵ Information to be inserted from Pricing Certificate.

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

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Certificates within the limit prescribed by law; that in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Ordinance, in an amount not to exceed \$1,000, of the City's Municipal Drainage Utility System; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed in its name by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary and the City Manager, and the official seal of the City has been duly impressed or placed in facsimile on this Certificate.

City Manager,
City of Dallas, Texas

Mayor, City of Dallas, Texas

City Secretary, City of Dallas, Texas

[SEAL]

(b) Form of Certificate of Paying Agent/Registrar. The following Certificate of Paying Agent/Registrar may be deleted from the Initial Certificate if the Comptroller's Registration Certificate is attached thereto.

CERTIFICATE OF PAYING AGENT/REGISTRAR

It is hereby certified that this Certificate has been issued under the provisions of the Ordinance of the City; and that this Certificate has been issued in exchange for or replacement of a certificate of obligation, certificate of obligations or portion of a certificate of obligation or certificate of obligations of an issue which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Wells Fargo Bank National Association
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Signatory

(c) Form of Assignment.

ASSIGNMENT

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

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

Dated: _____

Signature Guaranteed By: _____

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular and must be guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers.

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

A. immediately under the name of the Certificate the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and the heading "CUSIP NO." shall be deleted; and

B. in the first paragraph of the Certificate, the words "on the Maturity Date specified above" shall be deleted and the following will be inserted: "on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate</u>
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(Information to be inserted from the Pricing Certificate pursuant to Section 3.02 hereof.)

(e) Form of Comptroller's Registration Certificate. The following Comptroller's Registration Certificate of the Comptroller of Public Accounts shall appear on the Initial Certificate in lieu of the Certificate of Paying Agent/Registrar.

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

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Irving, Texas, and that this Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, _____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

Section 6.03. CUSIP Registration. The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates shall be of no significance or effect in regard to the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion. The approving legal opinions of Bracewell & Giuliani LLP and West & Associates, L.L.P., Co-Bond Counsel, may be printed on the back of each Certificate over the certification of the City Secretary, which may be executed in facsimile.

Section 6.05. Municipal Bond Insurance. If municipal bond guaranty insurance is obtained with respect to the Certificates, the Certificates, including the Initial Certificate, may bear an appropriate legend, as provided by the insurer.

ARTICLE VII

CREATION OF FUNDS AND ACCOUNTS, INITIAL DEPOSITS AND APPLICATION OF MONEY

Section 7.01. Creation of Funds. The City hereby establishes the following funds:

- (i) the City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012, Interest and Sinking Fund (the “Interest and Sinking Fund”);
- (ii) the City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012, Construction Fund (the “Construction Fund”); and
- (iii) the City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2012, Surplus Revenues Fund (the “Surplus Revenues Fund”).

Section 7.02. Initial Deposits. On the Closing Date, the City shall cause the proceeds from the sale of the Certificates to be deposited as follows:

- (i) first, an amount equal to all accrued interest on the Certificates from the Original Issue Date until the Closing Date, plus any additional amounts designated in the Pricing Certificate, shall be deposited to the credit of the Interest and Sinking Fund; and
- (ii) second, the remaining balance shall be deposited to the credit of the Construction Fund.

Section 7.03. Interest and Sinking Fund. (a) The taxes levied under Section 2.01 of this Ordinance shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Certificates.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Certificates plus the aggregate amount of interest due and that will become due and payable on such Certificates, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Certificates as such become due and payable.

Section 7.04. Surplus Revenues Fund. All Surplus Revenues shall be paid over and deposited into the Surplus Revenues Fund. On or before each Interest Payment Date, the Surplus Revenues, if any, shall be appropriated and employed in the following order:

(a) First: For deposit to the Interest and Sinking Fund to provide for the payment of the debt service requirements of the Certificates in accordance with the terms and conditions of this Ordinance; and

(b) Second: After all the requirements of subparagraph (a) above have been provided for, whether by the collection of the ad valorem tax levied in this Ordinance or by the use of pledged Surplus Revenues, the Surplus Revenues may be used for any lawful purpose.

Section 7.05. Construction Fund. The Construction Fund shall be used for the purpose of paying the costs of the Project for which the Certificates were issued (as specified in the preamble of this Ordinance) and for paying expenses incurred in connection with the issuance and delivery of the Certificates.

Section 7.06. Excess Certificate Proceeds. Upon completion of the Project financed with the Certificates any amount (exclusive of that amount retained for the payment of costs of the Project not then due and payable) that remains in the Construction Fund shall be transferred to the credit of the Interest and Sinking Fund and segregated in a special escrow account to be used to pay principal on the Certificates on the next ensuing date on which principal on the Certificates is due.

Section 7.07. Security of Funds. All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments. (a) Money in each fund created by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

(c) The money in an escrow account established under Section 7.06 of this Ordinance shall be invested in (i) tax-exempt obligations or (ii) securities or obligations that do not have a “higher yield,” within the meaning of Section 148(f) of the Code, than the yield on the Certificates.

Section 8.02. Investment Income. (a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund and interest and income derived from investment of the Surplus Revenues Fund shall be credited to such Fund.

(b) Interest and income derived from investment of the Construction Fund shall be either deposited to the credit of the Interest and Sinking Fund or retained in the Construction Fund until the Project authorized by this Ordinance are completed.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Certificates. On or before each Interest Payment Date for the Certificates, and while any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Certificates as will accrue or mature on the applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants. (a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Certificate; the City will promptly pay or cause to be paid the principal of and interest on each Certificate on the dates and at the places and manner prescribed in such Certificate; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Certificates; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Federal Income Tax Exclusion. (a) The City intends that the interest on the Certificates shall be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable Income Tax Regulations (the "Regulations"). The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the interest on the Certificates to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes. In particular, the City covenants and agrees to comply with each requirement of this Section 9.03; provided, however, that the City shall not be required to comply with any particular requirement of this Section 9.03 if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Certificates or if the City has received a Counsel's Opinion to the effect that compliance with some other requirement set forth in this Section 9.03 will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section 9.03.

(b) No Private Use or Payment and No Private Loan Financing. The City shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, that the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be “private activity bonds” within the meaning of section 141 of the Code and the Regulations promulgated thereunder. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Certificates including interest or other investment income derived from Certificate proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Certificates will not be “private activity bonds” within the meaning of section 141 of the Code and the Regulations promulgated thereunder.

(c) No Federal Guarantee. The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Certificates to be “federally guaranteed” within the meaning of section 149(b) of the Code and the applicable Regulations thereunder, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The City covenants and agrees that it has not and will not take any action, and has not knowingly omitted and will not knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Certificates to be “hedge bonds” within the meaning of section 149(g) of the Code and the applicable Regulations thereunder.

(e) No Arbitrage. The City shall certify, through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the City will reasonably expect that the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be “arbitrage bonds” within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Certificates including interest or other investment income derived from Certificate proceeds, regulate investments of proceeds of the Certificates, and take such other and further action as may be required so that the Certificates will not be “arbitrage bonds” within the meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder.

(f) Arbitrage Rebate. If the City does not qualify for an exception to the requirements of Section 148(f) of the Code relating to the required rebate to the United States, the City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the “gross proceeds” of the Certificates (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Certificates as may be required to calculate the amount earned on the investment of the gross proceeds of the Certificates separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issue of the City or moneys which do not represent gross proceeds of any bonds of the City, (ii) calculate at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Certificates which is required to

be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Certificates or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Certificates are issued, an information statement concerning the Certificates, all under and in accordance with section 149(e) of the Code and the applicable Regulations promulgated thereunder.

(h) Continuing Obligation. Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of this Section 9.03 shall survive the defeasance and discharge of the Certificates.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to-wit:

- (i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default. (a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

Section 10.03. Remedies Not Exclusive. (a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge. The Certificates may be defeased, discharged, or refunded in any manner permitted by applicable law.

ARTICLE XII

SALE AND DELIVERY OF CERTIFICATES; APPROVAL OF OFFICIAL STATEMENT; CONTROL AND DELIVERY OF CERTIFICATES

Section 12.01. Sale and Delivery of Certificates; Approval of Official Statement.

(a) Unless otherwise determined by the Authorized Officer, the Certificates shall be sold at a competitive sale to the initial purchasers in accordance with the terms of this Ordinance, including this Section 12.01(a) and Exhibit B hereto, provided that all of the conditions set forth in Exhibit B can be satisfied. As authorized by Chapter 1371, Texas Government Code, as amended, the Authorized Officer is authorized to act on behalf of the City upon determining that the conditions set forth in Exhibit B can be satisfied, in selling and delivering the Certificates and carrying out the other procedures specified in this Ordinance, including determining whether to acquire bond insurance for the Certificates, the aggregate principal amount of the Certificates and price at which each of the Certificates will be sold, the number and designation of series of Certificates to be issued, the form in which the Certificates shall be issued, the years in which the Certificates will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the first interest payment date, whether the Certificates can be sold on a competitive or negotiated basis and all other matters relating to the issuance, sale and delivery of the Certificates, all of which shall be specified in the Pricing Certificate.

The authority granted to the Authorized Officer under this Section 12.01(a) shall expire at 5:00 p.m., October 1, 2012, unless otherwise extended by the City Council by separate action.

Any finding or determination made by the Authorized Officer relating to the issuance and sale of the Certificates shall have the same force and effect as a finding or determination made by the City Council.

(b) The Authorized Officer and all other officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Certificates. The Certificates shall initially be registered in the name the Representative.

(c) The form and substance of the Preliminary Official Statement and any addenda, supplement or amendment thereto, are hereby in all respects approved and adopted and is hereby deemed final as of its date within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Authorized Officer and City Secretary are hereby authorized and directed to cause to be prepared a final Official Statement (the "Official Statement") incorporating applicable pricing information pertaining to the Certificates, and to execute the same by manual or facsimile signature and deliver appropriate numbers of executed copies thereof to the Underwriters. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Authorized Officer and the Underwriters, may be used by the Underwriters in the public offering and sale thereof. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement, and the preliminary public offering of the Certificates by the Underwriters, is hereby ratified, approved and confirmed.

(d) All officers of the City are authorized to execute such documents, certificates and receipts as they may deem appropriate in order to consummate the delivery of the Certificates in accordance with the terms of sale therefor including, without limitation, the Purchase Agreement. Further, in connection with the submission of the record of proceedings for the Certificates to the Attorney General of the State of Texas for examination and approval of such Certificates, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Certificates or (ii) \$9,500).

(e) The obligation of the Underwriters to accept delivery of the Certificates is subject to the Underwriters being furnished with the final, approving opinions of Bracewell & Giuliani LLP and West & Associates L.L.P., Co-Bond Counsel for the City, which opinions shall be dated and delivered the Closing Date.

Section 12.02. Control and Delivery of Certificates. (a) The City Manager, and in her absence, the Chief Financial Officer of the City, is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Initial Certificate shall be made to the Representative under and subject to the general supervision and direction of the City Manager, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor, City Secretary or City Manager is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem, any Assistant City Secretary and any Assistant City Manager, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem, the Assistant City Secretary and the Assistant City Manager shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor, City Secretary and City Manager, respectively.

ARTICLE XIII

CONTINUING DISCLOSURE UNDERTAKING

Section 13.01. Annual Reports.

(a) The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided and (iii) submitted through EMMA, in an electronic format with accompany identifying information, as prescribed by the MSRB. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable fiscal year to the MSRB. The City shall provide audited financial statements for the applicable fiscal year to the MSRB when and if audited financial statements become available.

(b) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 13.02. Material Event Notices.

(a) The City shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of any of the following events with respect to the Bonds:

- (i) principal and interest payment delinquencies;

- (ii) nonpayment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Owners, if material;
- (viii) bond calls if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of the City;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets of business of the City.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 12.01 of this Ordinance by the time required by such Section.

Section 13.03. Limitations, Disclaimers and Amendments. (a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Article XI that causes Certificates no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Certificates, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(d) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

(e) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(f) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel)

determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 13.01 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIV

AMENDMENTS; ATTORNEY GENERAL MODIFICATION

Section 14.01. Amendments.

This Ordinance shall constitute a contract with the Owners, be binding on the City, and shall not be amended or repealed by the City so long as any Certificate remains outstanding except as permitted in this Section. The City may, without consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of the Owners of the Certificates holding a majority in aggregate principal amount of the Certificates then outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of outstanding Certificates, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, (ii) give any preference to any Certificate over any other Certificate, or (iii) reduce the aggregate principal amount of Certificates required to be held by Owners for consent to any such amendment, addition, or rescission.

Section 14.02. Attorney General Modification.

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

ARTICLE XV

MISCELLANEOUS MATTERS

Section 15.01. Effectiveness. This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, Texas, pertaining thereto, and it is accordingly so ordained.

APPROVED AND ADOPTED this 16th day of May, 2012.

APPROVED AS TO FORM:

Thomas P. Perkins, Jr.
City Attorney
City of Dallas, Texas

Warren Ernst
Assistant City Attorney
City of Dallas, Texas

EXHIBIT A

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article XIII of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with Section 13.01 are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The financial statements of the City, including but not limited to the portion thereof appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.
2. Statistical and financial data set forth in Tables 1-13, inclusive.

Accounting Principles

The accounting principles referred to in such Section 13.01 are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.

EXHIBIT B

SALE PARAMETERS

In accordance with Section 12.01(a) of the Ordinance, the following conditions with respect to the Certificates must be satisfied in order for the Authorized Officer to act on behalf of the City in selling and delivering the Certificates to the Underwriters:

(a) the Certificates shall not bear interest at a rate greater than the maximum rate authorized by Chapter 1204, Texas Government Code as amended;

(b) the aggregate principal amount of the Certificates shall produce proceeds in an amount sufficient, as determined by the Authorized Officer, to fund the purposes described in Section 3.01 and such aggregate principal amount shall not exceed the maximum amount authorized in Section 3.01;

(c) the maximum maturity for the Certificates shall not exceed ten years; and

(d) the Certificates to be issued, prior to delivery, must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations.

AGENDA ITEM # 4

KEY FOCUS AREA: Better Cultural, Arts and Recreational Amenities

AGENDA DATE: May 16, 2012

COUNCIL DISTRICT(S): 7

DEPARTMENT: Park & Recreation

CMO: Paul D. Dyer, 670-4071

MAPSCO: 46-P

SUBJECT

Authorize **(1)** the establishment of appropriations in the amount of \$25,500,000 in the Certificates of Obligation Series 2012 Fund; and **(2)** a contract for the design phase of a design-build services contract to Heery International, Inc. for the Cotton Bowl – 2013 Improvements in the amount of \$2,150,570, which includes the addition of club seating; renovation of the press box, concourses and concessions; addition of a facade at the north and south end zones; renovation of the existing facade; public art fees; and other improvements at the Cotton Bowl in Fair Park located at 3750 Midway Plaza - Not to exceed \$2,150,570 - Financing: 2006 Bond Funds (\$1,817,570 to be reimbursed upon receipt of the proceeds from the sale of Certificates of Obligation Series 2012)

BACKGROUND

On April 11, 2012, by Resolution No. 12-1034 City Council authorized the issuance of Combination Tax and Revenue Certificates of Obligation, Series 2012 in an amount not to exceed \$25,500,000 for planning, designing, purchasing, constructing, equipping, improving and replacing facilities within Fair Park, pursuant to authority granted by Subchapter C of Chapter 271, Texas Local Government Code, as amended.

Design-Build Firm – Selection Process

- On March 2, 2012, a Request for Qualifications was issued for Design-Build Services for the Cotton Bowl – 2013 Improvements.
- On March 22, 2012, five firms submitted qualification statements and three firms were short-listed.
- On March 29, 2012, a Request for Proposals was issued for Design-Build Services for Cotton Bowl - 2013 Improvements to the three short-listed firms.
- On April 12, 2012, the three short-listed firms submitted proposals.

BACKGROUND (Continued)

On April 16, 2012, interviews were conducted with the three short-listed firms. A selection committee composed of representatives from the following departments/ organizations: Park and Recreation Department (2), Dallas Water Utilities Department (1), Public Works and Transportation Department (1), and State Fair of Texas (1) member selected Heery International, Inc. as the best value proposer.

This action is for the award of design phase services in the total amount of \$2,150,570, which includes \$1,817,570 for professional services fees, pre-construction fees, permit expediting fee and an allowance for mock-ups necessary for historical regulatory approvals and \$333,000 for the public art program fees.

Once the design-build firm develops the plans and specifications, they will provide a Guaranteed Maximum Price (GMP) for construction. The total amount for design and construction will be \$24,175,000. The public art project cost will be in addition to the \$24,175,000 allocated for design and construction.

The 2006 Bond Program percentage for public art includes \$600,000 for a public art project at the Cotton Bowl. This action includes \$333,000 of that total.

Public Art Selection Process

March 2012	Reviewed existing submissions for park and other projects to identify short-list of artists for this project.
April 23, 2012	Selection Panel interviewed short-listed candidates
May 3, 2012	Park and Recreation Board approval of public art fees within the design-build contract award and location of the public art project
May 8, 2012	Public Art Committee review of recommended candidate
May 17, 2012	Cultural Affairs Commission review of Public Art Committee recommendation

ESTIMATED SCHEDULE OF PROJECT

Begin Design	June 2012
Complete Design	October 2012
Begin Construction	January 2013
Complete Construction	September 2013

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The Park and Recreation Board authorized the proposed Park and Recreation Public Art Plan on June 19, 2008.

Public Art Committee authorized the proposed Park and Recreation Public Art Plan on October 13, 2009.

Cultural Affairs Commission authorized the proposed Park and Recreation Public Art Plan on October 15, 2009.

City Council authorized the public art plan on December 9, 2009, by Resolution No. 09-2956.

The Budget, Finance and Audit Committee was briefed on the Cotton Bowl Proposed 2013 Improvements and Financing on April 2, 2012.

City Council was briefed on the Cotton Bowl Proposed 2013 Improvements and Financing on April 4, 2012.

City Council authorized the issuance of Combination Tax and Revenue Certificates of Obligation, Series 2012 on April 11, 2012, by Resolution No. 12-1034.

The required Official Statement and Notice of Sale appeared in the Dallas Morning News on April 13, 2012 and April 20, 2012.

The Park and Recreation Board authorized award of the design-build contract on May 3, 2012.

FISCAL INFORMATION

2006 Bond Funds (to be reimbursed upon receipt of the proceeds from the sale of Certificates of Obligation Series 2012) - \$1,817,570

2006 Bond Funds - \$333,000

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Heery International, Inc.

White Male	542	White Female	234
Black Male	40	Black Female	50
Hispanic Male	40	Hispanic Female	12
Other Male	15	Other Female	0

OWNERS

Heery International, Inc.

James J. Moynihan, President/Chief Executive Office
Robert T. Chomiak, Vice President
Michael A. Holleman, Vice President

MAP

Attached

BUSINESS INCLUSION AND DEVELOPMENT PLAN SUMMARY

PROJECT: Authorize **(1)** the establishment of appropriations in the amount of \$25,500,000 in the Certificates of Obligation Series 2012 Fund; and **(2)** a contract for the design phase of a design-build services contract to Heery International, Inc. for the Cotton Bowl – 2013 Improvements in the amount of \$2,150,570, which includes the addition of club seating; renovation of the press box, concourses and concessions; addition of a facade at the north and south end zones; renovation of the existing facade; public art fees; and other improvements at the Cotton Bowl in Fair Park located at 3750 Midway Plaza - Not to exceed \$2,150,570 - Financing: 2006 Bond Funds (\$1,817,570 to be reimbursed upon receipt of the proceeds from the sale of Certificates of Obligation Series 2012)

Heery International, Inc. is a non-local, non-minority firm, has signed the "Business Inclusion & Development" documentation, and proposes to use the following sub-contractors.

PROJECT CATEGORY: Architecture & Engineering

LOCAL/NON-LOCAL CONTRACT SUMMARY

	<u>Amount</u>	<u>Percent</u>
Total local contracts	\$686,052.00	31.90%
Total non-local contracts	\$1,464,518.00	68.10%
TOTAL CONTRACT	\$2,150,570.00	100.00%

LOCAL/NON-LOCAL M/WBE PARTICIPATION

Local Contractors / Sub-Contractors

<u>Local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Campos Engineering	HMDB1630Y1212	\$313,500.00	45.70%
JQ Infrastructure	IMDB49215Y0512	\$153,500.00	22.37%
Quimby McCoy Preservation Architecture, LLP	WFWB50588N0912	\$52,000.00	7.58%
Total Minority - Local		\$519,000.00	75.65%

Non-Local Contractors / Sub-Contractors

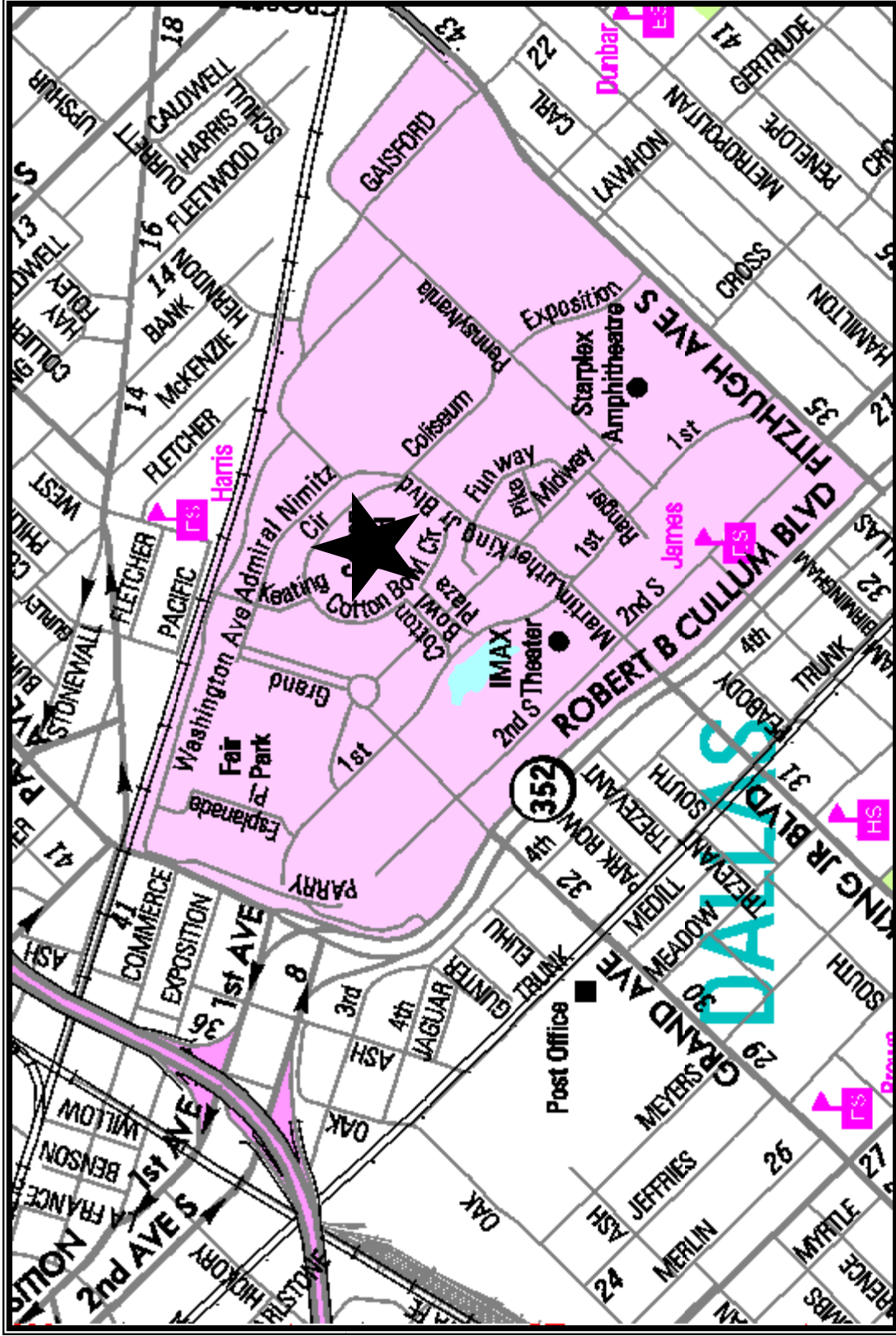
<u>Non-local</u>	<u>Certification</u>	<u>Amount</u>	<u>Percent</u>
Combs Consulting Group, LP	WFWB635600314	\$33,200.00	2.27%
Total Minority - Non-local		\$33,200.00	2.27%

TOTAL M/WBE CONTRACT PARTICIPATION

	<u>Local</u>	<u>Percent</u>	<u>Local & Non-Local</u>	<u>Percent</u>
African American	\$0.00	0.00%	\$0.00	0.00%
Hispanic American	\$313,500.00	45.70%	\$313,500.00	14.58%
Asian American	\$153,500.00	22.37%	\$153,500.00	7.14%
Native American	\$0.00	0.00%	\$0.00	0.00%
WBE	\$52,000.00	7.58%	\$85,200.00	3.96%
Total	<u>\$519,000.00</u>	<u>75.65%</u>	<u>\$552,200.00</u>	<u>25.68%</u>

Cotton Bowl at Fair Park

Council District 7



3750 Midway Plaza

Mapsco # 46-P

May 16, 2012

WHEREAS, the Dallas City Council authorized issuance of Combination Tax and Revenue Certificates of Obligation, Series 2012 for planning, designing, purchasing, constructing, equipping, improving and replacing facilities within Fair Park, pursuant to authority granted by Subchapter C of Chapter 271, Texas Local Government Code, as amended, in the amount of \$25,500,000, April 11, 2012, by Resolution No. 12-1034; and

WHEREAS, the required Official Statement and Notice of Sale appeared in the Dallas Morning News on April 13 and April 20, 2012 subsequent City Council authorization dated April 11, 2012, by Resolution No. 12-1034; and

WHEREAS, the City, will make certain expenditures relating to the Cotton Bowl 2013 Improvements prior to the issuance of the Obligations; and

WHEREAS, upon issuance of Obligations, the City desires to reimburse these prior expenditures with proceeds of the Obligations; and

WHEREAS, Section 1.150-2 of the Income Tax Regulations provides that certain expenditures on the Cotton Bowl 2013 Improvements may not be reimbursed from the proceeds of the Obligations unless, along with other requirements, the City declares official intent to reimburse the expenditure prior to the date the expenditures to be reimbursed were paid; and

WHEREAS, an alternative procurement process for construction of a project are now allowed in accordance with Chapter 271 Subchapter H of the Texas Local Government Code; and

WHEREAS, the selection of a design-build firm was conducted in a three-phase process. A Request for Qualifications (RFQ) was issued by the Park and Recreation Department on March 2, 2012 and a Request for Proposals (RFP) was issued by the Park and Recreation Department on March 29, 2012; and

WHEREAS, the selection committee reviewed the proposals, based on the evaluation criteria outlined in the RFP, and additionally evaluated each one of the three firms from the interviews; and

WHEREAS, Heery International, Inc. was identified as the most advantageous proposer to the City; and

May 16, 2012

Now, Therefore,

BE IT RESOLVED BY THE PARK AND RECREATION BOARD AND THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to establish appropriations in Certificates of Obligation Series 2012 Fund, Fund 0668, Department PKR, Unit P728 in an amount not to exceed \$25,500,000 upon receipt of issuance proceeds.

SECTION 2. That the City Manager is hereby authorized to enter into a design-build contract with Heery International, Inc. for design phase of a design-build services contract for the Cotton Bowl – 2013 Improvements, which includes the addition of club seating; renovation of the press box, concourses and concessions; addition of a facade at the north and south end zones; renovation of the existing facade; public art fees; and other improvements at the Cotton Bowl located at 3750 Midway Plaza, in an amount not to exceed \$2,150,570.

SECTION 3. That the President of the Park and Recreation Board and the City Manager are hereby authorized to execute a design-build contract with Heery International, Inc., after approval as to form by the City Attorney's Office.

SECTION 4. That the City Manager be authorized to transfer, as needed, an amount not to exceed \$1,817,570 from the Park and Recreation Facilities Improvement Fund 1T00, Balance Sheet Account 0271 to the Certificates of Obligation Series 2012 Fund 0668, Balance Sheet Account 0429.

SECTION 5. That the City Controller is hereby authorized to pay the amount of \$2,150,570 to Heery International, Inc., as follows:

Certificates of Obligation Series 2012 Fund Fund 0668, Department PKR, Unit P728, Object 4112 Activity FPRK, Program PKCOCTN, CT-PKR12019323 Commodity 92500, Vendor VS0000013092	\$1,817,570
(2006) Park and Recreation Facilities Improvement Fund Fund 1T00, Department PKR, Unit N810, Object 4425 Activity FPRK, Program PKPAP350, CT-PKR12019323 Commodity 92500, Vendor VS0000013092	<u>\$333,000</u>
Total amount not to exceed	\$2,150,570

May 16, 2012

SECTION 6. The the City Controller is hereby authorized to reimburse an amount not to exceed \$1,817,570 from Fund 0668, Balance Sheet Account 0429 to the Park and Recreation Facilities Improvement Fund 1T00, Balance Sheet Account 0271 upon receipt of the proceeds from the issuance of the Certificates of Obligation Series 2012.

SECTION 7. That this resolution is a declaration of official intent under Section 1.150-2 of the Income Tax Regulations by the City that it reasonably expects to reimburse the expenditures for the Cotton Bowl 2013 Improvements with proceeds of debt, in a maximum amount not to exceed \$1,817,570, to be incurred by or on behalf of the City, such debt to be issued on or before eighteen (18) months after the later of (i) the date the first expenditure is paid; or (ii) the date on which the property is placed in service, but in no event more than three years after the first expenditure is paid.

SECTION 8. The following is a general functional description of the Project for which the expenditures to be reimbursed are paid and a statement of the maximum principal amount of debt expected to be issued for such reimbursement purposes;

Project: Cotton Bowl – 2013 Improvements, 3750 Midway Plaza, Dallas, Texas

Debt to be issued: City of Dallas, Texas, Certificates of Obligation, Series 2012 in a maximum principal amount of \$25,500,000.

SECTION 9. That each of the expenditures described in Sections 2, 4, 5, 6 and 7 is a capital expenditure under general Federal income tax principles or a cost of issuance.

SECTION 10. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: May 16, 2012
COUNCIL DISTRICT(S): 7
DEPARTMENT: Park & Recreation
CMO: Paul D. Dyer, 670-4071
MAPSCO: 45-Q

SUBJECT

Authorize **(1)** the first amendment to the Cotton Bowl Stadium Agreement with State Fair of Texas, University of Oklahoma, The University of Texas at Austin and the City of Dallas for the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$500,000 each beginning in 2016 through 2020, for a total of \$5,000,000; and **(2)** the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$75,000 each beginning in 2016 through 2020, for a total of \$750,000 - Total not to exceed \$5,750,000 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

On May 23, 2007, by Resolution No. 07-1539, Council authorized **(1)** the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$125,000 each in 2007, \$425,000 each beginning in 2008 through 2011, and \$500,000 each beginning in 2012 through 2015, for an amount not to exceed \$7,650,000; and **(2)** the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$25,000 each in 2007 and \$75,000 each beginning in 2008 through 2015, for an amount not to exceed \$1,250,000, in an amount not to exceed \$8,900,000.

BACKGROUND (Continued)

The Texas-OU and Grambling-Prairie View football games are played at the Cotton Bowl during the annual State Fair of Texas. The purpose of providing funding for these games is to promote within the City of Dallas, and particularly within the South Dallas/Fair Park area (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce. The annual Texas-OU football game has been played in the Cotton Bowl since the stadium opened in 1930, making the 2011 game the 82nd consecutive game played in the historic Cotton Bowl Stadium. The game has sold out every year since 1940. The economic impact for the 2007 game under a study conducted by Dr. Pat Rishe, Director of Sports Impacts was estimated to be \$33.8 million after the 2008 expansion to the City of Dallas. The 2012 game will be broadcast nationally on television.

Under a proposed new State Fair/Texas-Oklahoma Cotton Bowl Stadium Agreement (the "Agreement") the University of Texas ("Texas") and University of Oklahoma ("OU") will contract with the State Fair of Texas to play the annual Texas/OU football game (the "Game") at the Cotton Bowl each October beginning in 2016 and ending in 2020.

The City, as a third party beneficiary to the Agreement, would provide to each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$500,000 each beginning in 2016 through 2020. The monies would be payable on or before November 15 of each year of the Agreement.

In addition, the City would provide to Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$75,000 each beginning in 2016 through 2020. The monies would be payable on or before November 15 of each year of the Agreement.

The annual Grambling State-Prairie View A&M football game has been played during the State Fair of Texas at the Cotton Bowl since 1989 when it was first titled "The State Fair Classic". In 1993, Southwest Airlines became the title sponsor, and the game was re-named "The Southwest Airlines State Fair Classic." The actual economic impact for the 2007 game conducted by Dr. Pat Rishe, Director of Sports Impacts was estimated to be \$6 million to the City of Dallas. According to the State Fair of Texas, the event brought over 45,000 fans to the game in 2012.

BACKGROUND (Continued)

This action will authorize the first amendment to the Cotton Bowl Stadium Agreement with State Fair of Texas, University of Oklahoma, the University of Texas at Austin and the City of Dallas for the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, for a total of \$500,000 each beginning in 2016 through 2020, for a total of \$5,000,000; and the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, for a total of \$75,000 each in 2016 through 2020, for a total of \$750,000

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 1, 2004, City Council authorized the City to provide game fees to the University of Texas, University of Oklahoma, Grambling State University and Prairie View A&M University on an annual basis for five years, subject to annual appropriations, beginning 2004 and ending 2008, by Resolution No. 04-2501.

On May 23, 2007, City Council authorized the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement, by Resolution No. 07-1539.

FISCAL INFORMATION

\$5,750,000 - Current Funds (subject to annual appropriations)

May 16, 2012

WHEREAS, under the authority of Chapter 380 of the Texas Local Government Code, the City of Dallas has heretofore made grants of public money to promote local economic development and to stimulate business and commercial activity in the City of Dallas, and more particularly within the South Dallas/Fair Park area; and

WHEREAS, to promote within the City of Dallas, and particularly within the South Dallas/Fair Park area, (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide an economic incentive to the University of Texas, University of Oklahoma, Prairie View A&M University, and Grambling State University to play their annual October football games at the Cotton Bowl Stadium at Fair Park; and

WHEREAS, holding the games at the Cotton Bowl Stadium, along with advertising, broadcasting, news media, and promotion activities related to the Texas-OU and Prairie View-Grambling football games, will attract tourists to the City and Fair Park, increase business opportunities throughout the City, and portray the City in a positive fashion; and

WHEREAS, on September 1, 2004, by Resolution No. 04-2501 City Council authorized the City to provide game fees to the University of Texas, University of Oklahoma, Grambling State University and Prairie View A&M University on an annual basis for five years, subject to annual appropriations, beginning 2004 and ending 2008; and

WHEREAS, on May 23, 2007, Resolution No. 07-1539 City Council authorized **(1)** the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$125,000 each in 2007, \$425,000 each beginning in 2008 through 2011, and \$500,000 each beginning in 2012 through 2015, for an amount not to exceed \$7,650,000; and **(2)** the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$25,000 each in 2007 and \$75,000 each beginning in 2008 through 2015, for an amount not to exceed \$1,250,000, in an amount not to exceed \$8,900,000; and

WHEREAS, the University of Texas, University of Oklahoma, Prairie View A&M University, and Grambling State University have expressed a commitment to contract with the State Fair of Texas to play their annual October football games in the Cotton Bowl Stadium through 2020 in exchange for certain considerations; and

May 16, 2012

WHEREAS, this action will authorize the first amendment to the Cotton Bowl Stadium Agreement with State Fair of Texas, University of Oklahoma, The University of Texas at Austin and the City of Dallas for the City's participation as a third party beneficiary to the State Fair/Texas-OU Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$500,000 each beginning in 2016 through 2020, in the amount of \$5,000,000; and the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$75,000 each beginning in 2016 through 2020, in the amount of \$750,000 and a total amount not to exceed \$5,750,000.

Now Therefore,

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

SECTION 1. That **(1)** the City's participation as a third party beneficiary to the State Fair/Texas-Oklahoma Cotton Bowl Stadium Agreement by providing each University a game fee, subject to the annual University of Texas versus University of Oklahoma football game being played at the Cotton Bowl, in the amount of \$500,000 each beginning in 2016 through 2020 for an amount not to exceed \$5,000,000; and **(2)** the City to provide Grambling State University and Prairie View A&M University a game fee, subject to the Grambling State University versus Prairie View A&M University football game being played at the Cotton Bowl, in the amount of \$75,000 each, in an amount not to exceed \$750,000 and a total amount not to exceed \$5,750,000, is hereby approved.

SECTION 2. That the City Controller be and is hereby authorized to disburse funds on or before November 15 of each year beginning in 2016 through 2020 to **(a)** the University of Texas (255103) and the University of Oklahoma (331500), \$500,000 each beginning in 2016 through 2020; and **(b)** Prairie View A&M University (335415) and Grambling State University (355432), \$75,000 each beginning in 2016 through 2020 from General Fund 0001, Department PKR, Unit 5208, Object Code 3099, Encumbrance CT PKRPD07A003, CT PKRPD07A004, CT PKRPD07A001 and CT PKRPD07A002, total amount not to exceed \$5,750,000, subject to annual appropriations.

SECTION 3. That the City Manager, following approval as to form by the City Attorney, is authorized to execute agreements reflecting the game fee commitments set forth in this resolution, if such agreements are necessary.

May 16, 2012

SECTION 4. That the commitments for funding set forth in this resolution shall be terminated by the City Manager, without liability in the event of non-appropriation of such subsequent funding by the City Council; provided, however, the City Manager is hereby authorized to include such funding in the proposed budget submissions to the City Council, for the next nine years.

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

