GARLAND

AGENDA

REGULAR MEETING OF THE CITY COUNCIL

City of Garland
Council Chambers, City Hall
William E. Dollar Municipal Building
200 North Fifth Street
Garland, Texas
December 4, 2018
7:00 p.m.

The City Council extends to each visitor a sincere welcome. We value your interest in your community and your participation in the meetings of this governing body. Regular meetings of the City Council are held the 1st and 3rd Tuesdays of each month, beginning at 7:00 p.m.; the City Council meets regularly in work sessions at 6:00 p.m. the Monday preceding each regular meeting.

Garland City Hall and Council Chambers is wheelchair accessible. Special parking is available on the east side of City Hall and on Austin & State Street west of City Hall. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services must contact the City Secretary's Office at (972) 205-2404 at least two working days prior to the meeting so that appropriate arrangements can be made. BRAILLE IS NOT AVAILABLE.

LEGISLATIVE PRAYER AND PLEDGE OF ALLEGIANCE

It is the custom and tradition of the members of the City Council to have an invocation and recital of the Pledge of Allegiance prior to the beginning of the meeting. Members of the audience are invited to participate. However, members of the audience are not required to participate. The decision to participate is strictly a matter of personal choice and has no bearing on matters to be considered by the City Council and will not affect the decisions to be made during the meeting.

MAYORAL PROCLAMATIONS, RECOGNITIONS AND ANNOUNCEMENTS

The Mayor may present proclamations and recognize attendees or award winners, and may make announcements regarding upcoming City events and matters of interest to citizens. There will be no Council deliberations or votes on these matters.

CONSENT AGENDA

All items under this section are recommended for approval by a single motion of Council, without discussion. Council has had the opportunity to review each of these items at a previous work session and approval of the consent agenda authorizes the City Manager to implement each item. The Mayor will announce the agenda and provide an opportunity for members of the audience and the City Council to request that an item be removed and considered separately.

1. Consider approval of the minutes of the November 13, 2018 Regular Meeting.

2. Consider approval of the following bids:

a. Carver Center Renovations — **Bid No. 0527-18**

TD Industries — **$13,750.00**

This request is to approve Change Order #1 for the Carver Center HVAC renovations. Additional supply air equipment that was discovered during demolition will be reused, requiring additional parts and labor for HVAC Controls Integration. This Change Order represents a 79% increase to the original Purchase Order 26930.

b. Campbell Road Switch Station Control House — **Bid No. 0003-19**

Electrical Power Products, Inc. — **$552,274.00**

Optional Contingency	**110,454.80**
TOTAL:	**$662,728.80**

This request is for the purchase of a Control House for the Campbell Road Switch Station as part of the Campbell Road Switch Station CIP project.

c. **Emergency Transmission Line Repair** **Bid No. 0158-19**

Chapman Construction Company, LP **$678,112.60**

This request is for the approval of emergency restoration services necessary to rebuild the Wynn Joyce to Miller Road double circuit 138kV transmission line segment on Wynn Joyce Road. The emergency repairs included replacing 19 transmission structures and providing cleanup of all damaged infrastructure.

d. **Aerial Bucket Trucks (GP&L)** **Bid No. 0192-19**

Freightliner of Austin **$482,947.00**

This request is for the purchase of two replacement aerial bucket trucks to be utilized by Garland Power & Light in their daily operations.

e. **Replacement Trailer-Mounted Hydro Excavator** **Bid No. 0206-19**

Ring-O-Matic, Inc. **$153,888.00**

This request is for the purchase of a replacement Trailer-Mounted Hydro Excavator to be utilized by the Water Department in their daily operations.

f. **Replacement Dump Trucks** **Bid No. 0189-19**

Bruckner Truck Sales, Inc. **$282,268.00**

This request is for the purchase of two replacement 12-yard dump trucks to be utilized by the Street Department in their daily operations.

g. **Fleet Replacement Vehicles** **Bid No. 0203-19**

Caldwell Country Chevrolet **$337,833.00**

This request is for the purchase of eleven (11) replacement vehicles to be utilized by Garland Power & Light in their daily operations.

h. **Heritage Crossing City-Directed Scope Modification** — **Bid No. 0801-18**

EJ Smith Construction Company, LLC	**$407,623.00**

This request is to approve Change Order #1 for the Heritage Crossing Project.

i. **Duck Creek Wastewater Treatment Plant Odor Control Project - Phase I** — **Bid No. 0188-19**

Perkins Engineering Consultants, Inc.	**$1,216,781.00**
Optional Contingency	**243,400.00**
TOTAL:	**$1,460,181.00**

This request is to provide Professional Engineering Services for Phase I of the Duck Creek Wastewater Treatment Plant Odor Control project in response to a Texas Commission on Environmental Quality (TCEQ) Notice of Violation (NOV) that was issued to the City of Garland for nuisance odors. Due to the complex nature of the project, an Optional Contingency is included for any additional work that may be required.

j. **Chevrolet Tahoes for Garland Police Department** — **Bid No. 0220-19**

Caldwell Country Chevrolet	**$760,284.00**

This request is for the purchase of twenty-two Chevrolet Tahoes to be utilized by the Garland Police Department in their daily operations.

3. A public hearing was previously conducted for the following zoning case. Council approved the request and instructed staff to bring forth the following ordinance for consideration.

a. Zoning File No. Z 18-43, Monk Consulting Engineers, Inc. (District 6)

Consider an ordinance amending the Garland Development Code of the City of Garland, Texas, by approving a Specific Use Provision for a Truck/Bus Storage Use on a 3.42-acre tract of land zoned Industrial (IN) District and located at 3877 Miller Park Drive; providing for conditions, restrictions, and regulations; providing a penalty under the provisions of Sec. 10.05 of the Code of Ordinances of the City of Garland, Texas; providing a Notice of Conditions of Compliance Clause; a Savings Clause; and a Severability Clause; and providing an effective date.

4. **Consider an ordinance authorizing the issuance of "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018A", pledging net revenues of the City's Water and Sewer System to the security of and the payment of the principal of and interest on said bonds; specifying the terms and conditions of such bonds; resolving other matters incident and related to the issuance, payment, security, sale and delivery of said bonds, including the approval and execution of a Paying Agent/Registrar Agreement, a Purchase Agreement and an Escrow Agreement; and the approval and distribution of a Preliminary Official Statement and an Official Statement; and providing an effective date.**

   At the November 5, 2018 Work Session, Council considered authorizing the refunding of approximately $10.5 million of Water and Sewer System Revenue Bonds, Series 2009 with Water and Sewer System Revenue Refunding Bonds. The purpose of this transaction is to refund existing Water and Sewer fixed rate debt with new Water and Sewer fixed rate debt to reduce debt service.

5. **Consider an ordinance authorizing the issuance of "City of Garland, Texas, General Obligation Refunding Bonds, Series 2018"; specifying the terms and features of said bonds; levying a continuing direct annual ad valorem tax for the payment of said bonds; providing for the redemption of certain outstanding obligations of the City; and resolving other matters incident and related to the issuance, sale, payment and delivery of said bonds, including the approval and execution of a Paying Agent/Registrar Agreement, a Purchase Agreement and an Escrow Agreement and the approval and distribution of a Preliminary Official Statement and an Official Statement; and providing an effective date.**

   At the November 5, 2018 Work Session, Council considered authorizing the refunding of approximately $13.7 million of Combination Tax and Revenue Certificates of Obligation, Series 2009 and approximately $38.2 million of General Obligation Refunding Bonds, Series 2011A and Series 2011B with General Obligation Refunding Bonds. The purpose of this transaction is to refund existing Certificates of Obligation and existing General Obligation bonds with new General Obligation fixed rate bonds to reduce debt service.

6. **Consider by minute action the approval of the conveyance of real property to the Garland Foundation for Development**

   This request is to approve the conveyance of real property located at the former Hypermart site (3195 S. Garland Road) to the Garland Foundation for Development, Inc. and authorize the Mayor to execute a deed and any other ancillary documents necessary to effectuate the transaction.

7. **Consider by minute action authorizing the City Manager to execute an amendment to the Single Stream Recyclable Materials Transport, Processing and Marketing Agreement between the City of Garland (City) and Fomento de Construcciones y Contratas, Inc. (FCC).**

   At the November 5, 2018 Work Session, Council considered the proposed *modification to Single Stream Recyclable Materials Transport, Processing and Marketing Agreement between the City of Garland and Fomento de Construcciones y Contratas, Inc. due to decreased recyclables commodity values and increased operational costs.*

8. Approve by minute action an Economic Development Services Agreement with the Garland Chamber of Commerce and the City of Garland

Consider an Economic Development Services Agreement between the Garland Chamber of Commerce and the City of Garland.

9. Consider a resolution rescheduling meetings of the City Council to be held in Calendar Year 2019 and providing an effective date.

At the December 3, 2018 Work Session, Council considered rescheduling the January 1, 2019 Regular Meeting to January 8, 2019, October 1, 2019 Regular Meeting to September 30, 2019 and the November 19, 2018 Regular Meeting to November 12, 2019.

ITEMS FOR INDIVIDUAL CONSIDERATION

Speaker Regulations:

Anyone wishing to speak for, against, or on agenda items must fill out a speaker card and give it to the City Secretary before speaking (cards are located at the entrance to the Council Chambers). The Mayor will recognize speakers; he may impose a time limit and may provide for rebuttal. All comments and testimony are to be presented from the podium.

10. Hold a public hearing regarding amendments to the Garland Development Code (GDC) Regarding Home Occupations

Public Hearing and consideration of amendments to Chapter 2, Section 2.61 of the Garland Development Code (GDC) regarding Home Occupations.

11. Approve by minute action a legislative program endorsing the introduction and passage of the four proposed bills outlined above, and providing such other direction as Council may deem appropriate, to be used by staff as a guideline in pursuing the City's legislative interests.

Council is requested to provide general consensus as to the issues they would like the City's legislative efforts to be directed. Conversely, if there are issues the Council wants to neither support nor oppose, direction should be given to the City Attorney in that regard.

12. Citizen comments.

Persons wishing to address issues not on the agenda may have three minutes to address Council at this time. Council is prohibited from discussing any item not posted according to the Texas Open Meetings Act.

13. Adjourn.

All Regular Council meetings are broadcast live on CGTV, Time Warner Cable Channel 16, and Frontier FIOS TV 44. Meetings are rebroadcast at 9:00 a.m. and 7:00 p.m. on Wednesday-Sunday and at 7:30 p.m. on Thursday. Live streaming and on-demand videos of the meetings are also available online at www.garlandtx.gov. Copies of the meetings can be purchased through the City Secretary's Office – audio CD's are $1 each and DVD's are $3 each.

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **1.**

Meeting Date: 12/04/2018

Item Title: Minutes Nov. 13

Submitted By: Rene Dowl, City Secretary

Summary of Request/Problem

Consider approval of the minutes of the November 13, 2018 Regular Meeting.

Recommendation/Action Requested and Justification

Attachments

Minutes Nov. 13

Minutes of the Garland City Council Regular Meeting

The City Council of the City of Garland convened in regular session at 7:00 p.m. on Tuesday, November 13, 2018 in the Council Chambers at City Hall, 200 North Fifth Street, Garland, Texas, with the following members present:

COUNCIL PRESENT:	Mayor	Lori Barnett Dodson
	Mayor Pro Tem	Rich Aubin
	Council Member	David Gibbons
	Council Member	Jerry Nickerson
	Council Member	Jim Bookhout
	Council Member	Robert Vera
	Deputy Mayor Pro Tem	Scott LeMay
	Council Member	Robert Smith
STAFF PRESENT:	City Manager	Bryan Bradford
	City Attorney	Brad Neighbor
	City Secretary	Eloyce René Dowl
ABSENT:	Council Member	Deborah Morris

CALL TO ORDER: The meeting was called to order by Mayor Dodson.

CONSENT AGENDA: All items marked with asterisks (**) on the Consent Agenda were voted on at the beginning of the meeting. Mayor Dodson read those items into the record. Motion was made by Mayor Pro Tem Aubin, to approve the Consent Agenda as presented, seconded by Council Member Vera, to approve items 1, 2a, 2b, 2c, 2d, 3, 4, 5 and 6. Motion carried, 8 ayes, 0 nays.

1. APPROVED** Approval of the Minutes of the November 6, 2018 Regular Meeting.

2a. APPROVED** Bid No. 0092-19 awarded to Burns & McDonnell in the amount of $803,300.00, which includes an optional contingency of $46,115.00, for a total bid of $849,415.00 for Engineering Services for King Mountain / Road Runner Transmission Line.

This request is to provide Professional Engineering Services including design, field surveying, permitting and environmental services for the King Mountain/Road Runner transmission line. An optional contingency is included for any additional work that may be required.

2b. APPROVED** Bid No. 1136-18 awarded to Infratech Corporation in the amount of $680,933.83, which includes an optional contingency of $46,000.00, for a total bid of $726,933.83 for GP&L 200-Amp Underground Loop Replacements.

This request is for the replacement of five underground loops to reduce cable failure on the GP&L distribution system. This project is part of the UG 200-Amp Loop Replacement CIP project. An optional contingency is included for any additional work that may be required.

2c. APPROVED** Bid No. 0142-19 awarded to R-Delta Engineers, Inc. in the amount of $32,500.00 for Main Street and Avenue A Alley Improvements Between Fifth and Seventh Streets.

This request is to approve Change Order #1 for additional engineering design services for improvements to the storm sewer system in Fifth Street and Wastewater in Sixth Street.

2d. APPROVED** Bid No. 0133-19 awarded to Consolidated Traffic Controls, Inc. in the amount of $356,508.00 for Traffic Control Cabinets for Warehouse Inventory.

3. APPROVED** Ordinance No. 7028 amending the Garland Development Code of the City of Garland, Texas, by approving a Change in Zoning from Planned Development (PD) District 77-8 for Retail Uses, Planned Development (PD) 86-15 District for Retail Uses, and Planned Development (PD) District 83-12 for Retail Uses to Planned Development (PD) District for Community Retail Uses and Single-Family-7 District Uses on approximately 11 acres of land located in the area generally known as “The Triangle”; that is extending from 5605 Broadway Boulevard to Little Lane, and those parcels with frontage along Robin Road; providing for conditions, restrictions, and regulations; providing a penalty under the provisions of Sec. 10.05 of the Code of Ordinances of the City of Garland, Texas; providing a Notice of Conditions of Compliance Clause; a Savings Clause, and a Severability Clause; and providing an effective date. (File No. Z 18-40, City of Garland, District 4)

4. APPROVED** Resolution No. 10363 accepting a Texas Department of Transportation (TxDOT) Selective Traffic Enforcement Program (STEP) – Impaired Driving Mobilization (IDM) Grant in the amount of $15,045.32; and providing an effective date.

At the November 5, 2018 Work Session, Council considered accepting a Texas Department of Transportation (TxDOT) – Selective Traffic Enforcement Program (STEP) – Impaired Driving Mobilization (IDM) Grant.

5. APPROVED** Minute action approving the purchase of the single family property located at 2209 Sharon Drive.

This request was to approve the purchase of the single family home located at 2209 Sharon Drive for the City of Garland's Housing and Community Services Department. This home is located in the Devonwood Park 2 Addition to the City of Garland and would utilize federal funding for rehabilitation in preparation for sale to a new, qualified, homebuyer upon completion.

6. APPROVED** Resolution No. 10364 authorizing the submission of a grant application to the Office of the Governor of the State of Texas for certain public safety, law enforcement, and homeland security projects; and providing an effective date.

At the November 5, 2018 Work Session, Council considered approving a resolution authorizing the Office of Emergency Management to submit the HSGP application and gain access to grant funding.

ITEMS FOR INDIVIDUAL CONSIDERATION

7. APPROVED Consider the application of Monk Consulting Engineers, Inc., requesting approval of a Specific Use Provision for a Truck/Bus Storage use. This property is located at 3877 Miller Park Drive. (File No. Z 18-43, District 6)

BEING a 3.421-acre portion of Lot 4, Block 3, in Garland West Industrial Park, an addition to the City of Dallas, Dallas County, Texas, according to the plat thereof, recorded in

Volume 551, Page 1680, Map Records, Dallas County, Texas, same being all Tracts 1 and 2 of land conveyed to Ribelin Distributors, Inc., by deed recorded in Volume 77086, Page 3033, Deed Records of Dallas County, Texas, and being Tract 3 of land conveyed to Ribelin Distributors, Inc. by deed recorded in Volume 77248, Page 228, Deed Records, Dallas County, Texas. Approval of the request would allow the applicant to construct one (1) office building and twenty-six (26) parking spaces for semi-truck trailer storage (parking) use on a 3.421-acre lot. (File No. Z 18-43, District 6)

The staff report was presented by Nabiha Ahmed, Development Planner. Speaker on the item was Charles Voigt. There was discussion by the Council. Motion was made by Council Member Vera to approve the request according to staff recommendation, seconded by Council Member Bookhout. Motion carried 8 ayes, 0 nays.

8. CITIZEN COMMENTS: There were no speakers.

9. ADJOURN There being no further business to come before the City Council, Mayor Dodson adjourned the meeting at 7:13 p.m.

CITY OF GARLAND, TEXAS

/s/ Lori Barnett Dodson, Mayor /s/ Eloyce René Dowl, City Secretary

GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.a.**

Meeting Date: 12/04/2018
Item Title: Carver Center Renovations
Submitted By: Ginny Holliday, Facilities Management Director
Bid Number: 0527-18

Purchase Justification:

This request is to approve Change Order #1 for the Carver Center HVAC renovations. Additional supply air equipment that was discovered during demolition will be reused, requiring additional parts and labor for HVAC Controls Integration. This Change Order represents a 79% increase to the original Purchase Order 26930.

Evaluation:

TD Industries was awarded the original Purchase Order through the BuyBoard Cooperative Purchasing Contract 552-17.

Award Recommendation:

Vendor	***Item***	***Amount***
TD Industries	All	$13,750.00
	TOTAL:	**$13,750.00**

Basis for Award: Change Order
Purchase Requisition #: 40627

Fiscal Impact

Total Project/Account:	$3,363,000
Expended/Encumbered to Date:	3,279,697
Balance:	$83,303
This Item:	13,750
Proposed Balance:	$69,553
Account #:	692-4749-1606613-9002

Fund/Dept/Project – Description and Comments:

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2018
Document Location:	Page MF06

Budget Director Approval:	Ron Young	Approval Date:	11/16/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/14/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/05/2018
REQ. NO. PR 40627
BID NO. 0527-18
PAGE: 1 of 1
BUYER: J. Wilson

ITEM	QTY	UNIT	DESCRIPTION	TD Industries UNIT PRICE	TD Industries TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	EA	1	Change Order #1 To PO #26930	$13,750.00	$13,750.00						
			TOTAL GROSS PRICE		$13,750.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$13,750.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:	**$0.00**
LOW:	**$0.00**
SAVINGS:	**$0.00**

N/A # IonWave Notifications
N/A # IonWave HUBS
N/A # Direct Contact HUBS
N/A # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.b.**

Meeting Date: 12/04/2018
Item Title: Campbell Road Switch Station Control House
Submitted By: Ross Owen, Director of Transmission & Distr
Bid Number: 0003-19

Purchase Justification:

This request is for the purchase of a Control House for the Campbell Road Switch Station as part of the Campbell Road Switch Station CIP project. This Control House will provide all-weather protection and security to control equipment that includes switchboard panels, batteries, battery chargers, supervisory control, meters and relays. Due to the complex nature of the project, an Optional Contingency is included for any additional work that may be required.

Evaluation:

A request for bids was issued in accordance with Purchasing procedures. Four bids were received and evaluated based on the published criteria of price, delivery schedule, vendor references and previous experience with GP&L. Electrical Power Products, Inc., received the highest evaluated score, offering the Best Value for the City.

Award Recommendation:

Vendor	***Item***	***Amount***
Electrical Power Products, Inc.	All	$552,274.00
Optional Contingency		110,454.80
	TOTAL:	**$662,728.80**

Basis for Award: Best Value
Purchase Requisition #: 40556

Fiscal Impact

Total Project/Account:	$6,250,000
Expended/Encumbered to Date:	651,708
Balance:	$5,598,292
This Item:	662,729

Proposed Balance:	$4,935,563
Account #:	210-3799-3177901-6051

Fund/Dept/Project – Description and Comments:

Electric CIP Fund 210 / Substations Upgrades

Attachments

Bid Recap

Fiscal Reference:

Budget Type:	CIP
Fiscal Year:	2018
Document Location:	Page E10

Budget Director Approval:	Ron Young	Approval Date:	11/19/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/15/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/15/18
REQ. NO. PR 40556
BID NO. 0003-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Electrical Power Products, Inc.		(CTS) Crown Texas, Inc.		KVA Inc.		Kempco Industries, LLC.	
					TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
			Evaluated Price		$552,274.00		$579,861.74		$658,080.00		Withdrew bid
			Evaluation Criteria:								
			Price	Maximum=45	45.00		42.75		37.36		
			Delivery Schedule	Maximum=35	31.50		35.00		34.23		
			References	Maximum=15	15.00		15.00		15.00		
			Experience with GP&L	Maximum=05	5.00		0.00		0.00		
			Total	Maximum=100	96.50		92.75		86.59		
			TOTAL GROSS PRICE		$552,274.00		$579,861.74		$658,080.00		
			CASH DISCOUNT								
			TOTAL NET PRICE		$552,274.00		$579,861.74		$658,080.00		
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:	**$552,274.00**	377	# IonWave Notifications
LOW:	**$579,861.74**	48	# IonWave HUBS
SAVINGS:	**($27,587.74)**	50	# Direct Contact HUBS
		0	# HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.c.**

Meeting Date: 12/04/2018
Item Title: Emergency Transmission Line Repair
Submitted By: Ross Owen, Director of Transmission & Distr
Bid Number: 0158-19

Purchase Justification:

This request is for the approval of emergency restoration services necessary to rebuild the Wynn Joyce to Miller Road double circuit 138kV transmission line segment on Wynn Joyce Road. The emergency repairs included replacing 19 transmission structures and providing cleanup of all damaged infrastructure.

Evaluation:

These emergency restoration services were required in response to storm damage that occurred on October 7, 2018.

Award Recommendation:

Vendor	Item	Amount
Chapman Construction Company, LP	All	$678,112.60
	TOTAL:	**$678,112.60**

Basis for Award: Emergency
Purchase Requisition #: 40725

Fiscal Impact

Total Project/Account:	$1,275,326
Expended/Encumbered to Date:	453,862
Balance:	$821,464
This Item:	678,113
Proposed Balance:	$143,351
Account #:	210-3599-3138701-7111

Fund/Dept/Project – Description and Comments:

Electric CIP Fund 210 / Transmission Lines

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2018
Document Location:	Page E01

Budget Director Approval:	Ron Young	Approval Date:	11/20/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/19/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/14/18
REQ. NO. PR 40725
BID NO. 0158-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Chapman Construction Co., L.P. UNIT PRICE	Chapman Construction Co., L.P. TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	Lt.	Emergency Transmission Line Repair		$678,112.60						
			TOTAL GROSS PRICE		$678,112.60						
			CASH DISCOUNT								
			TOTAL NET PRICE		$678,112.60						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS: **$0.00**

n/a # IonWave Notifications
n/a # IonWave HUBS
n/a # Direct Contact HUBS
n/a # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.d.**

Meeting Date: 12/04/2018
Item Title: Aerial Bucket Trucks (GP&L)
Submitted By: Terry Anglin, Fleet Services Director
Bid Number: 0192-19

Purchase Justification:

This request is for the purchase of two replacement aerial bucket trucks to be utilized by Garland Power & Light in their daily operations.

Evaluation:

These bucket trucks are available from Freightliner of Austin through the BuyBoard Cooperative Purchasing Contract 521-16.

Award Recommendation:

Vendor	***Item***	***Amount***
Freightliner of Austin	All	$482,947.00
	TOTAL:	**$482,947.00**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 40755

Fiscal Impact

Total Project/Account: $1,104,862
Expended/Encumbered to Date: 525,980
Balance: $578,882
This Item: 482,947
Proposed Balance: 95,935
Account #: 444-3226-9009
Fund/Dept/Project – Description and Comments:
Equipment Replacement Fund / GP&L Replacement Equipment / Misc. Distribution

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Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	Operating Budget		
Fiscal Year:	2018-19		
Document Location:	C-44		
Budget Director Approval:	Ron Young	Approval Date:	11/16/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/14/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/14/18
REQ. NO. PR 40755
BID NO. 0192-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Freightliner of Austin UNIT PRICE	Freightliner of Austin TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	ea.	New, 2020 Freightliner chassis M2-106, Cummins L9 350 HP, Allison 3000RDS auto trans, Terex HRX55 over center; ext engine, warranties: after treatment 5/100L & ext Allison trans 5/unl, 55' bucket, and all options per quote.	$240,208.00	$240,208.00						
2	1	ea.	New, 2020 Freightliner chassis M2-106, Cummins L9 350 HP, Allison 3000RDS auto trans, Terex HRX60 over center, ext engine, warranties: after treatment 5/100L & ext Allison trans 5/unl, 60' bucket, and all options per quote.	$242,739.00	$242,739.00						
			TOTAL GROSS PRICE		$482,947.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$482,947.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS: **$0.00**

n/a # IonWave Notifications
n/a # IonWave HUBS
n/a # Direct Contact HUBS
n/a # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. <u>The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.</u>

GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.e.**

Meeting Date: 12/04/2018
Item Title: Replacement Trailer-Mounted Hydro Excavator
Submitted By: Terry Anglin, Fleet Services Director
Bid Number: 0206-19

Purchase Justification:

This request is for the purchase of a replacement Trailer-Mounted Hydro Excavator to be utilized by the Water Department in their daily operations.

Evaluation:

The Hydro Excavator is available from Ring-O-Matic, Inc., through the HGAC Cooperative Purchasing Contract SC01-18.

Award Recommendation:

Vendor	***Item***	***Amount***
Ring-O-Matic, Inc.	All	$153,888.00
	TOTAL:	**$153,888.00**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 40768

Fiscal Impact

Total Project/Account: $200,000
Expended/Encumbered to Date: 0
Balance: $200,000
This Item: 153,888
Proposed Balance: $46,112
Account #: 221-4033-9007
Fund/Dept/Project – Description and Comments:

Water Utiltiy FY 2018-19 Operating Fund, 221-4033-9007 - Purchase of a replacement Trailer-Mounted Hydro Excavator to be used in daily operations.

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	Operating Budget		
Fiscal Year:	2018-19		
Document Location:	Page D-136		
Budget Director Approval:	Ron Young	Approval Date:	11/15/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/14/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/14/18
REQ. NO. PR 40768
BID NO. 0206-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Ring-O-Matic, Inc. UNIT PRICE	Ring-O-Matic, Inc. TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	ea.	1300VX-HiCFM Trailer Mounted Hydro Escavator, 200 gal, water 1,300 gallon debris tank, diesel triple axle trailer, spider door lock, all options per quote	$153,888.00	$153,888.00						
			TOTAL GROSS PRICE		$153,888.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$153,888.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS: **$0.00**

n/a # IonWave Notifications
n/a # IonWave HUBS
n/a # Direct Contact HUBS
n/a # HUBS Responded

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GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.f.**

Meeting Date: 12/04/2018
Item Title: Replacement Dump Trucks
Submitted By: Terry Anglin, Fleet Services Director
Bid Number: 0189-19

Purchase Justification:

This request is for the purchase of two replacement 12-yard dump trucks to be utilized by the Street Department in their daily operations.

Evaluation:

These dump trucks are available from Bruckner Truck Sales, Inc., through the BuyBoard Cooperative Purchasing Contract 521-16.

Award Recommendation:

Vendor	***Item***	***Amount***
Bruckner Truck Sales, Inc.	All	$282,268.00
	TOTAL:	**$282,268.00**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 40786

Fiscal Impact

Total Project/Account: $1,427,500
Expended/Encumbered to Date: 964,637
Balance: $462,863
This Item: 282,268
Proposed Balance: $180,595
Account #: 831-4692-9007
Fund/Dept/Project – Description and Comments:

Infrastructure Repair & Replacement Fund / Maintenance

Total funding includes anticipated Purchase Order Rollover from FY 2017-18 of $412,500 for capital equipment purchases.

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	Operating Budget		
Fiscal Year:	2018-19		
Document Location:	Page D-121		
Budget Director Approval:	Ron Young	Approval Date:	11/19/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/15/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/15/18
REQ. NO. PR 40786
BID NO. 0189-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Bruckner Truck Sales, Inc. UNIT PRICE	Bruckner Truck Sales, Inc. TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	2	ea.	Mack CXU613, 12-yd. Dump Trucks with all options per quote.	$140,934.00	$281,868.00						
2	1	ea.	BuyBoard Fee	$400.00	$400.00						
			TOTAL GROSS PRICE		$282,268.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$282,268.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS: **$0.00**

n/a # IonWave Notifications
n/a # IonWave HUBS
n/a # Direct Contact HUBS
n/a # HUBS Responded

All bids submitted for the designated project are reflected on this bid tab sheet. However, the listing of a bid on this sheet should not be construed as a comment on the responsiveness of such bid or as any indication that the city accepts such bid as responsive. The City will notify the successful bidder upon award of the contract and, according to the law, all bids received will be available for inspection at that time.

GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.g.**
Meeting Date: 12/04/2018
Item Title: Fleet Replacement Vehicles
Submitted By: Terry Anglin, Fleet Services Director
Bid Number: 0203-19

Purchase Justification:

This request is for the purchase of eleven (11) replacement vehicles to be utilized by Garland Power & Light in their daily operations. The replacement vehicles are identified on the attached Bid Recap.

Evaluation:

These vehicles are available from Caldwell Country Chevrolet through the BuyBoard Cooperative Purchasing Contract 521-16.

Award Recommendation:

Vendor	***Item***	***Amount***
Caldwell Country Chevrolet	All	$337,833.00
	TOTAL:	**$337,833.00**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 40761

Fiscal Impact

Total Project/Account: $1,104,862
Expended/Encumbered to Date: 188,147
Balance: $916,715
This Item: 337,833
Proposed Balance: $578,882
Account #: 444-3711-9009, 444-3226-9009, 444-3621-9009, 444-3551-9009
Fund/Dept/Project – Description and Comments:

Equipment Replacement Fund / GP&L Replacement Equipment	
GP&L Substation Operations - Distribution	$178,775
GP&L Miscellaneous Distribution	53,388
GP&L Operations Load Dispatch	79,250
GP&L Planning & Compliance Operations	26,420
Total	**$337,833**

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	Operating Budget
Fiscal Year:	2018-19
Document Location:	Page C-44

Budget Director Approval:	Ron Young	Approval Date:	11/16/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/14/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/14/18
REQ. NO. PR 40761
BID NO. 0203-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Caldwell Country Chevrolet UNIT PRICE	Caldwell Country Chevrolet TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	ea.	2019 Chevrolet Silverado, 4x2 double cab LD pickup cc15753; include trailer tow, mirrors and all optinos per quote	$35,825.00	$35,825.00						
2	1	ea.	2019 Chevrolet 1500 Silverado 4x4 double cab pickup SWB CK15751; all options on quote	$30,570.00	$30,570.00						
3	3	ea.	2019 Chevrolet Traverse LS SUV 1NB56 with all options per quote	$26,410.00	$79,230.00						
4	2	ea.	2019 Chevrolet Silverado 4x2 double cab SWB pickup CC15753; with all options per quote.	$26,978.00	$53,956.00						
5	1	ea.	2019-20 Chevrolet 3500 HD Silverado 4x2 crew cab pickup 60CA CC36043; 13,200# GVWR; with all options on quote	$58,592.00	$58,592.00						
6	3	ea.	2019 Chevrolet 1500 Silverado 4x2 pickup SWB CC15753 with rollup topper, all options on quote	$26,420.00	$79,260.00						
7	1	ea.	Buyboard Fee	$400.00	$400.00						
			TOTAL GROSS PRICE		$337,833.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$337,833.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS: **$0.00**

n/a # IonWave Notifications
n/a # IonWave HUBS
n/a # Direct Contact HUBS
n/a # HUBS Responded

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GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.h.**

Meeting Date: 12/04/2018
Item Title: Heritage Crossing City-Directed Scope Modification
Submitted By: Jermel Stevenson, Managing Director
Bid Number: 0801-18

Purchase Justification:

This request is to approve Change Order #1 for the Heritage Crossing Project. This City-directed Change Order is to encumber the remaining funds in the CIP account for this project, allowing development of the Northeast and Northwest quadrants in addition to the Southeast quadrant currently under construction. No additional funds are being requested above the current project budget. These three areas (SE, NW, and NE quadrants) will retain some elements of hardscape, landscape and lighting amenities in the project that was part of the approved design concept; however, some items will be excluded from the contractor's Scope of Work in order to remain within the approved budget. The items and associated expenses excluded from the Scope of Work include streetscape enhancements along Walnut Street as well as paving enhancements and two lighted bollards in the western portion of the Southeast quadrant. Other items removed from the Scope of Work include benches and general conditions items.

Evaluation:

EJ Smith Construction Company, LLC, was awarded the original Purchase Order 27887 in the amount of $563,579.75 at the September 18, 2018, City Council Meeting.

Award Recommendation:

Vendor	***Item***	***Amount***
EJ Smith Construction Company, LLC	All	$407,623.00
	TOTAL:	**$407,623.00**

Basis for Award: Change Order
Purchase Requisition #: 40815

Fiscal Impact

Total Project/Account:	$1,458,000
Expended/Encumbered to Date:	1,050,377
Balance:	$407,623
This Item:	407,623
Proposed Balance:	$0
Account #:	692-2499-1012700-9002

Fund/Dept/Project – Description and Comments:

Economic Development CIP / Walnut Street Pedestrian Corridor
This Owner-directed Change Order request is to add portions of the Northeast and Northwest quadrants to the Scope of Work of the Construction Contract originally developed for the Southeast quadrant.

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2018
Document Location:	Page ED10

Budget Director Approval:	Ron Young	Approval Date:	11/20/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/19/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/19/2018
REQ. NO. PR 40815
BID NO. 0801-18
PAGE: 1 of 1
BUYER: J. Wilson

ITEM	QTY	UNIT	DESCRIPTION	EJ Smith Construction Company, LLC UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	. UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	ea	1	Change Order # 1 to PO 27887	$407,623.00	$407,623.00						
			TOTAL GROSS PRICE		$407,623.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$407,623.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: **$0.00**
LOW: **$0.00**
SAVINGS: **$0.00**

N/A # IonWave Notifications
N/A # IonWave HUBS
N/A # Direct Contact HUBS
N/A # HUBS Responded

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GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.i.**

Meeting Date: 12/04/2018

Item Title: Duck Creek Wastewater Treatment Plant Odor Control Project - Phase I

Submitted By: Wes Kucera, Managing Director

Bid Number: 0188-19

Purchase Justification:

This request is to provide Professional Engineering Services for Phase I of the Duck Creek Wastewater Treatment Plant Odor Control project in response to a Texas Commission on Environmental Quality (TCEQ) Notice of Violation (NOV) that was issued to the City of Garland for nuisance odors. Odor control at the plant was included as part of the 2016 Wastewater Treatment Master Plan. Services to be provided through this request include design of new solids holding tanks, including the aeration system and odor controls; transfer pump station rehabilitation; bioscrubbers at influent structures and diffuser replacements; and PLC replacement and control logic modifications at the step feed aeration basins. Due to the complex nature of the project, an Optional Contingency is included for any additional work that may be required.

Evaluation:

Perkins Engineering Consultants, Inc., was selected as the Most Qualified firm for this project from a short list of engineers evaluated and ranked by published criteria in RFQ 0767-18.

Award Recommendation:

Vendor	***Item***	***Amount***
Perkins Engineering Consultants, Inc.	All	$1,216,781.00
Optional Contingency		243,400.00
	TOTAL:	**$1,460,181.00**

Basis for Award: Most Qualified

Purchase Requisition #: 40787

Fiscal Impact

Total Project/Account: $7,035,000

Expended/Encumbered to Date: 875,403

Balance:	$6,159,597
This Item:	1,460,181
Proposed Balance:	$4,699,416
Account #:	230-4239-3403800-7101

Fund/Dept/Project – Description and Comments:

Wastewater / Wastewater Treatment CIP Fund 230 / Duck Creek WWTP Processes Improvements

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2018
Document Location:	Page WW21

Budget Director Approval:	Ron Young	Approval Date:	11/20/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/19/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/19/2018
REQ. NO. PR 40787
BID NO. 0188-19
PAGE: 1 of 1
BUYER: J. Wilson

ITEM	QTY	UNIT	DESCRIPTION	Perkins Engineering Consultants, Inc. UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	. UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	ea	1	Professional Engineering Services for conducting phase one of the Odor Control Project at the Duck Creek Wastewater Treatment Plant.	$1,460,181.00	$1,460,181.00						
			TOTAL GROSS PRICE		$1,460,181.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$1,460,181.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: **$0.00**
LOW: **$0.00**
SAVINGS: **$0.00**

N/A # IonWave Notifications
N/A # IonWave HUBS
N/A # Direct Contact HUBS
N/A # HUBS Responded

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GARLAND
PURCHASING REPORT

City Council Regular Session Agenda **2.j.**

Meeting Date: 12/04/2018
Item Title: Chevrolet Tahoes for Garland Police Department
Submitted By: Terry Anglin, Fleet Services Director
Bid Number: 0220-19

Purchase Justification:

This request is for the purchase of twenty-two (22) Chevrolet Tahoes to be utilized by the Garland Police Department in their daily operations.

Evaluation:

These Tahoes are available from Caldwell Country Chevrolet through the BuyBoard Cooperative Purchasing Contract 521-16.

Award Recommendation:

Vendor	*Item*	*Amount*
Caldwell Country Chevrolet	All	$760,284.00
	TOTAL:	**$760,284.00**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 40819

Fiscal Impact

Total Project/Account: $1,845,647
Expended/Encumbered to Date: 62,088
Balance: $1,783,559
This Item: 760,284
Proposed Balance: $1,023,275
Account #: 100-1245-9009 and 444-1245-9009
Fund/Dept/Project – Description and Comments:

General Fund / Police Department
4 New Tahoes = $138,408

Equipment Replacement Fund / Police Department
18 Replacement Tahoes = $621,876

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	Operating Budget		
Fiscal Year:	2018-19		
Document Location:	Pages C-44 and D-104		
Budget Director Approval:	Ron Young	Approval Date:	11/20/2018
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	11/19/2018

CITY OF GARLAND - BID RECAP SHEET
OPENED: 11/19/18
REQ. NO. PR 40819
BID NO. 0220-19
PAGE: 1 of 1
BUYER: T. Smith

ITEM	QTY	UNIT	DESCRIPTION	Caldwell Country Chevrolet UNIT PRICE	Caldwell Country Chevrolet TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	21	ea.	2019 Chevrolet Tahoe PPV	$34,602.00	$726,642.00						
			CC15706, LH (P46FLC) Spotlight,								
			PPV, 5.3L-V8, 6-spd automatic,								
			locking rear axle differential, dual								
			batteries, cloth buckets front,								
			cloth rear bench, full rubber								
			floor, a/c front and rear, am/fm/								
			stereo mylink w/bluetooth, tilt,								
			cruise, power seat, windows,								
			locks, mirrors, keyless entry, etc..								
			all options per quote.								
2	1	ea.	2019 Chevrolet Tahoe PPV	$33,242.00	$33,242.00						
			non-pursuit, CC15706, LH,								
			spotlight (P46FLC) 5.3L-V8, 6-spd.								
			aut. locking rear axle differential,								
			dual batteries, cloth buckets front,								
			cloth rear bench, full rubber								
			floor, a/c front and rear, am/fm/								
			stereo mylink w/bluetooth, tilt,								
			cruise, power seat, windows,								
			locks, mirrors, keyless entry, etc..								
			all options per quote.								
3	1	ea.	BuyBoard Fee	$400.00	$400.00						
			TOTAL GROSS PRICE		$760,284.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$760,284.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS: **$0.00**

n/a # IonWave Notifications
n/a # IonWave HUBS
n/a # Direct Contact HUBS
n/a # HUBS Responded

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GARLAND
CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **3.a.**

Meeting Date: 12/04/2018

Item Title: Z 18-43 Monk Consulting Engineers, Inc. (District 6)

Submitted By: Nabiha Ahmed, Development Planner

Summary of Request/Problem

Zoning Ordinance Z 18-43 Monk Consulting Engineers, Inc.

Recommendation/Action Requested and Justification

Consider adoption of attached ordinance.

Attachments

Z 18-43 Ordinance
Z 18-43 Exhibit A
Z 18-43 Exhibit B
Z 18-43 Exhibits C-E

ZONING FILE NO. Z 18-43

ORDINANCE NO. ____

AN ORDINANCE AMENDING THE GARLAND DEVELOPMENT CODE OF THE CITY OF GARLAND, TEXAS, BY APPROVING A SPECIFIC USE PROVISION FOR A TRUCK/BUS STORAGE USE ON A 3.42-ACRE TRACT OF LAND ZONED INDUSTRIAL (IN) DISTRICT AND LOCATED AT 3877 MILLER PARK DRIVE; PROVIDING FOR CONDITIONS, RESTRICTIONS, AND REGULATIONS; PROVIDING A PENALTY UNDER THE PROVISIONS OF SEC. 10.05 OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A NOTICE OF CONDITIONS OF COMPLIANCE CLAUSE; A SAVINGS CLAUSE, AND A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at its regular meeting held on the 22nd day of October, 2018, the Plan Commission did consider and make recommendations on a certain request for approval of a Specific Use Provision for a Truck/Bus Storage Use by **Monk Consulting Engineers, Inc.;** and

WHEREAS, the City Council, after determining all legal requirements of notice and hearing have been met, has further determined the following amendment to the Garland Development Code would provide for and would be in the best interest of the health, safety, morals, and general welfare:

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

Section 1

The Garland Development Code is hereby amended by approving a Specific Use Provision for a Truck/Bus Storage Use on a 3.42-acre tract of land zoned Industrial (IN) District and located at 3877 Miller Park Drive and being more particularly described in Exhibit A, attached hereto and made a part hereof.

Section 2

Development shall be in conformance with the conditions, restrictions, and regulations set forth in Exhibit B, attached hereto and made a part hereof.

Section 3

That a violation of this Ordinance shall be a misdemeanor punishable in accordance with Section 10.05 of the Code of Ordinances, City of Garland, Texas.

Section 4

NOTICE OF CONDITIONS OF COMPLIANCE: Notwithstanding the provisions of any other ordinance of the City, the full, complete, and continuing compliance with all the conditions, restrictions, and regulations of Exhibit B of this Ordinance is a condition to the issuance and continuation of any permit, approval, authorization or consent by the City, including without limitation the issuance or continuation of any certificate of occupancy for any building or structure located on any portion of the property described in Exhibit A. All promises, representations, obligations and undertakings made or assumed by the applicant to the City Council at any public presentation in connection with the granting of this Ordinance are hereby incorporated into and made a part of this Ordinance as if expressly set forth herein at length. No substantial deviation from any material portion of the conditions, restrictions, and regulations contained within Exhibit B of this Ordinance are allowed except as may be provided by the City Council after a public hearing.

Section 5

That the Garland Development Code, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 6

That the terms and provisions of this Ordinance are severable and are governed by Sec. 10.06 of the Code of Ordinances of the City of Garland, Texas.

Section 7

That this Ordinance shall be and become effective immediately upon and after its passage and approval.

ZONING FILE NO. Z 18-43

PASSED AND APPROVED this ________day of_____________, 2018.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

Published:

EXHIBIT A

LEGAL DESCRIPTION

Zoning File Z 18-43

Being a Being Lot 2, Block 1 of Ribelin-Miller Park, an addition to the City of Garland, Dallas County according to the Plat thereof recorded in Instrument Number 201800030010, Official Public Records, Dallas County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod stamped CBG Surveying marking the Southeast corner of said Lot 2 and the Southwest corner of Lot 1 of said addition and being in the North line of Miller Park Drive (60’ right-of-way), said point being in a curve to the left having a radius of 144.59, a delta of 69 degrees 00 minutes 30 seconds and a chord bearing and distance of South 34 degrees 01 minutes 07 seconds West 163.81 feet;

THENCE along said curve to the left and the North line of said Miller Park Drive an arc length of 174.15 feet to a point for corner;

THENCE South 00 degrees 23 minutes 53 seconds East, along the West line of said Miller Park Drive a distance of 136.04 feet to a point for corner, said point being the Northeast corner of Lot 3, Block 3, Garland West Industrial Park according the plat thereof recorded in Volume 551, Page 1691, Map Records, Dallas County, Texas, said point being the beginning of a curve to the right having a radius of 318.31 feet, a delta angle of 28 degrees 45 minutes 29 seconds and a chord bearing and distance of North 62 degrees 46 minutes 11 seconds West, 158.09 feet;

THENCE along the North line of said Lot 3 of said addition and said curve to the right an arc length of 159.77 feet to a point for corner;

THENCE South 69 degrees 31 minutes 00 seconds West, along the North line of said Lot 3, a distance of 22.45 feet to a point for corner, said point being the beginning of a curve to the right having a radius of 338.31 feet, a delta angle of 19 degrees 19 minutes 52 seconds and a chord bearing and distance of North 36 degrees 56 minutes 44 seconds West, 113.60 feet;

THENCE along the north line of said Lot 3 and said curve to the right an arc length of 114.14 feet to a point for corner;

THENCE South 00 degrees 28 minutes 00 seconds East, along the north line of said Lot 3 and distance of 116.00 feet to a point for corner;

THENCE South 69 degrees 31 minutes 00 seconds West, along the north line of said Lot 3 and distance of 42.57 feet to a point for corner, said point being in the east line of Lot 2, Block 1/8060 Sixth Installment, Dallas Northeast Industrial Park according to the plat thereof recorded in Volume 80250, Page 775, Map Records, Dallas County, Texas;

THENCE North 00 degrees 28 minutes 00 seconds West, along the East line of said addition and continuing along the east line of a tract of land conveyed to Univar USA, Inc recorded in Instrument number 200600444369, Official Public Records, Dallas County, Texas a distance of 478.10 feet to a point for corner, said point being in the south line of a tract of land conveyed to Dallas Area Rapid Transit recorded in Volume 90177, Page 4219, Deed Records, Dallas County, Texas;

THENCE North 69 degrees 31 minutes 00 seconds East, along the south line of said Dart tract a distance of 259.72 feet to a point for corner, said point being the northwest corner of Lot 1 of said Ribelin-Miller Park addition;

Thence South 20 degrees 29 minutes 00 seconds East, along the common line of said Lot 1 and Lot 2 of said addition a distance of 343.24 feet to the POINT OF BEGINNING and containing 148,999 square feet or 3.42 acres of land.

SPECIFIC USE PROVISION CONDITIONS

ZONING FILE 18-43

3877 Miller Park Drive

I. Statement of Purpose: The purpose of this Specific Use Provision is to permit a Truck/Bus Storage Use subject to conditions.

II. Statement of Effect: This Specific Use Provision shall not affect any regulation found in the Garland Development Code, Ordinance No. 6773, as amended prior to adoption of this ordinance, except as specifically provided herein.

III. General Regulations: All regulations of the Industrial (IN) District as set forth in Chapter 2 of the Garland Development Code are included by reference and shall apply, except as otherwise specified by this ordinance.

IV. Specific Regulations:

A. <u>Time Period</u>: The Specific Use Provision shall be in effect for period of twenty-five (25) years.

B. <u>Site Plan</u>: Development shall be in general conformance with the site plan labeled Exhibit C.

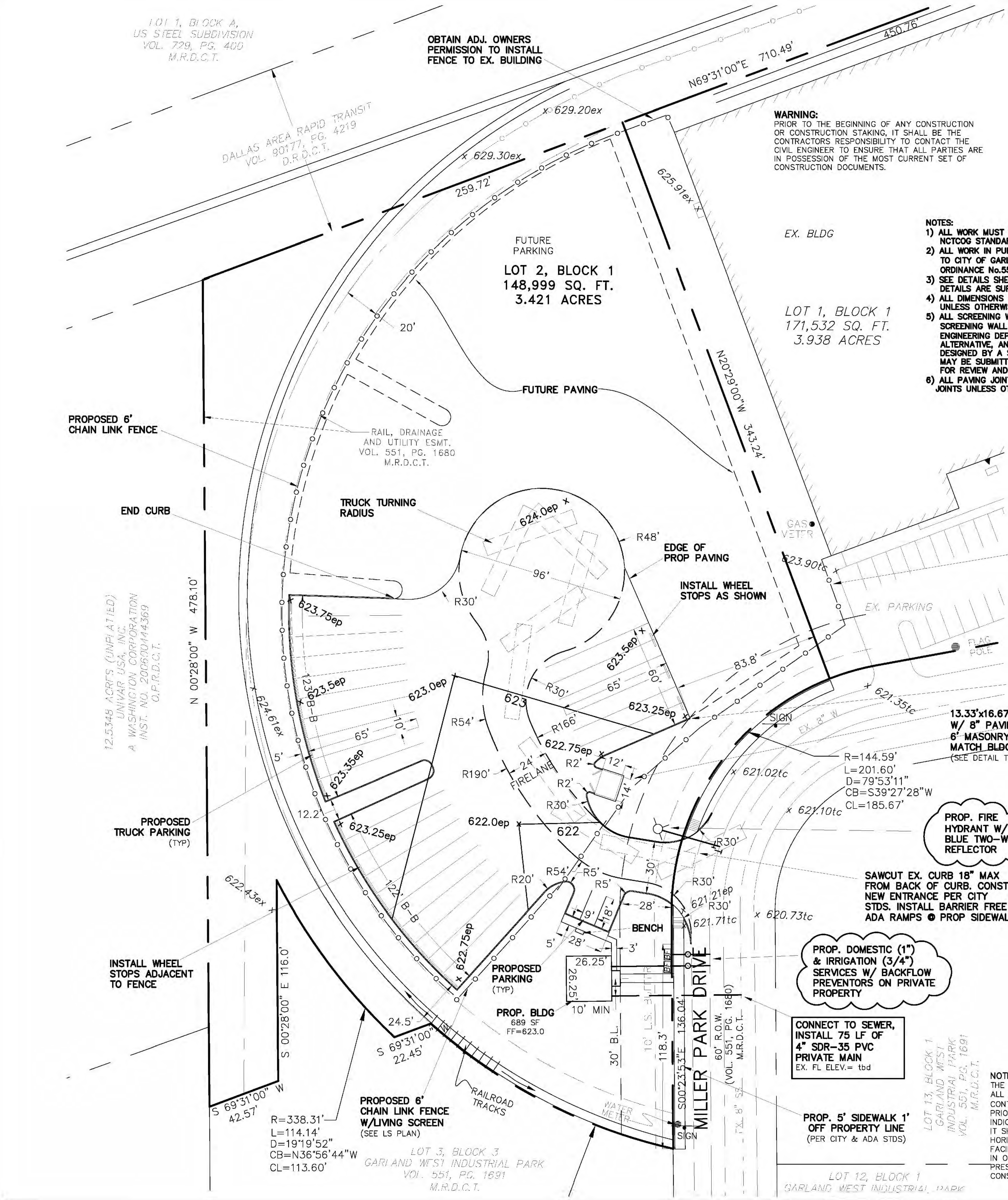
C. <u>Screening and Landscaping</u>: Screening and Landscaping shall conform to the layout reflected in Exhibit D.

D. <u>Building Elevations:</u> Building elevations shall conform to the elevations reflected on Exhibit E.

E. <u>Parking</u>: At least three (3) parking spaces shall be provided for the Office, General and a maximum of twenty-six (26) parking spaces shall be provided for the Truck/Bus Storage.

EXHIBIT B

EXHIBIT C



WARNING:
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** NOTICE TO CONTRACTORS **

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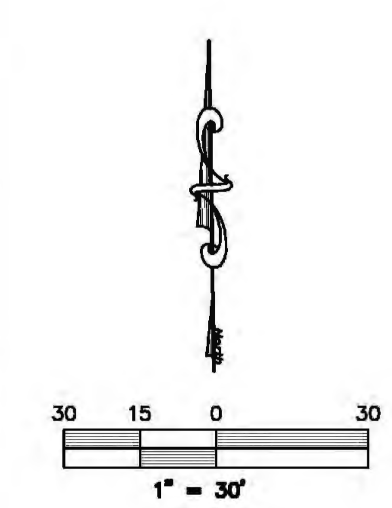
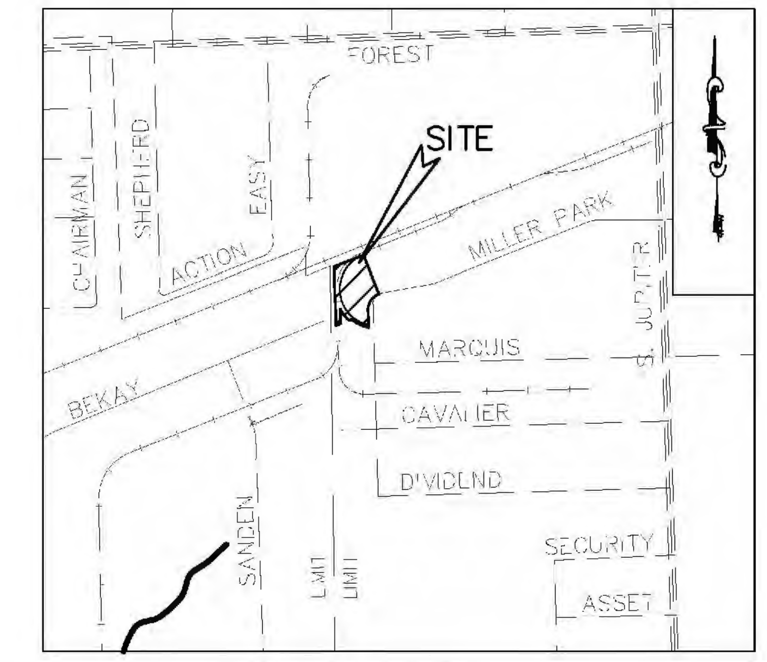




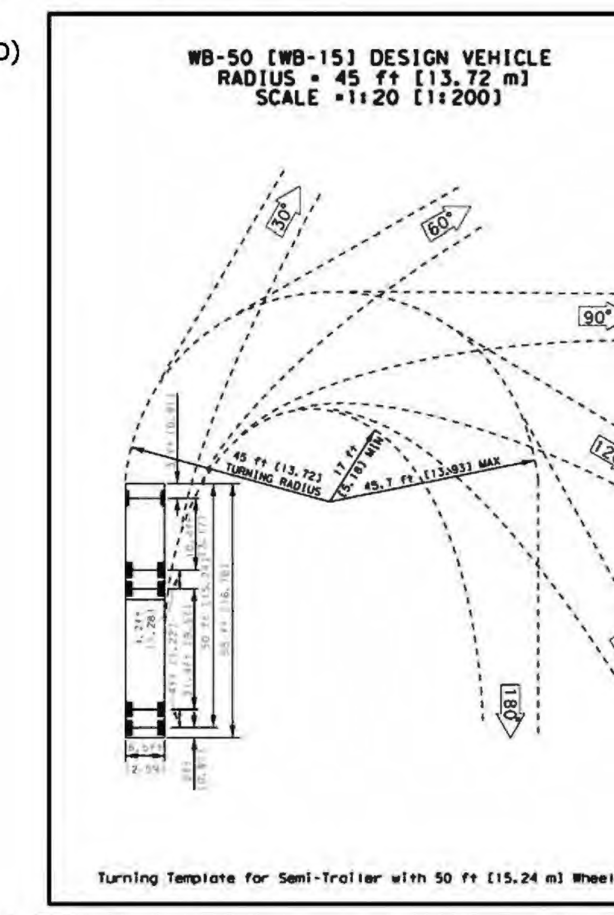
VICINITY MAP
NOT TO SCALE

NOTES:
1) ALL WORK MUST CONFORM TO CITY OF GARLAND & NCTCOG STANDARDS AND DETAILS.
2) ALL WORK IN PUBLIC RIGHT-OF-WAY SHALL CONFORM TO CITY OF GARLAND "RIGHT-OF-WAY MANAGEMENT ORDINANCE No.5504" STANDARDS AND DETAILS
3) SEE DETAILS SHEETS FOR PRIVATE DETAILS. ALL PRIVATE DETAILS ARE SUPERSEDED BY STANDARD CITY DETAILS.
4) ALL DIMENSIONS ARE FACE OF CURB TO FACE OF CURB UNLESS OTHERWISE NOTED.
5) ALL SCREENING WALLS SHALL COMPLY WITH THE SCREENING WALL DETAILS OF THE "CITY OF GARLAND ENGINEERING DEPT. STANDARD DETAILS, 2006" AS AN ALTERNATIVE, AN EQUIVALENT SCREENING WALL PLAN, DESIGNED BY A STATE OF TEXAS PROFESSIONAL ENGINEER, MAY BE SUBMITTED TO THE BUILDING INSPECTION DEPT. FOR REVIEW AND APPROVAL.
6) ALL PAVING JOINTS ARE TO BE CONSTRUCTION JOINTS UNLESS OTHERWISE NOTED.

PAVING NOTES:
1) ALL PAVING TO BE MIN 7" THICK, 3,600 psi, 6 SACK MIX, CLASS "C" CONCRETE REINFORCED WITH #3 BARS @ 16" ON CENTER. (O.C.)
2) DUMPSTER PAD TO BE 8" THICK, 3,600 psi, 6 SACK MIX, REINFORCED WITH #3 BARS @ 16" O.C. THE SUBGRADE SHALL HAVE A DENSITY OF NO LESS THAN 95% TSHPT TEST METHOD TEX-113
2) ALL FILL SUBGRADE SHALL BE PLACED ON 8" LIFTS AND COMPACTED TO 95% OF STD. PROCTOR @ MOISTURE RANGE OF 0% TO +6% OF OPTIMUM MOISTURE. (UNLESS OTHERWISE NOTED)

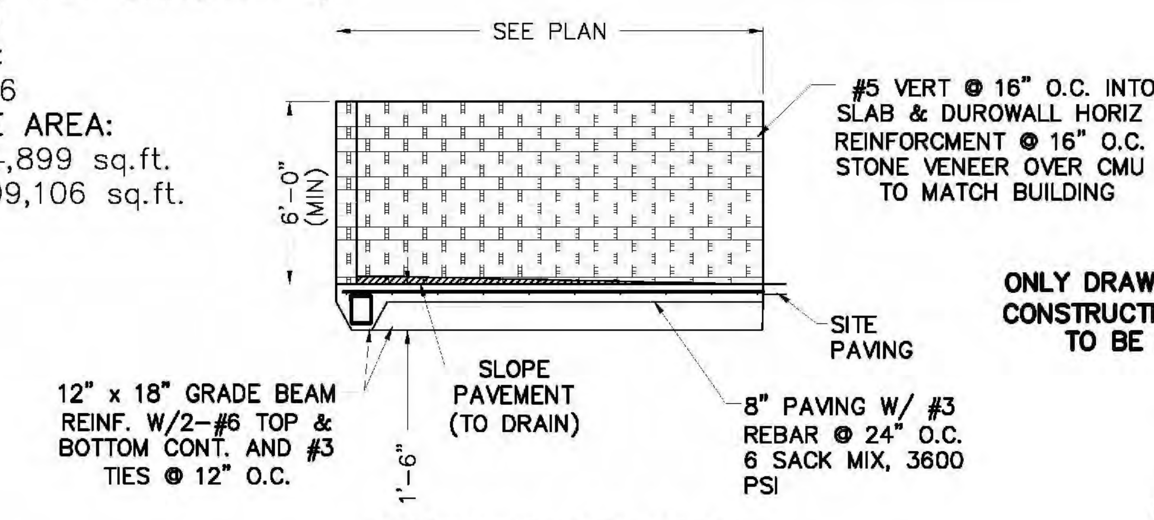
LEGEND

	= PROPERTY LINE
EX. SS	= EXISTING SANITARY SEWER LINE
EX. W	= EXISTING WATER LINE
	= EXISTING GAS MANHOLE
FH	= EXISTING FIRE HYDRANT
WM	= EXISTING WATER METER
PP	= EXISTING POWER POLE
LP	= EXISTING LIGHT POLE
	= EXISTING STORM MANHOLE
	= EXISTING SS MANHOLE
	= PROPOSED SS MANHOLE
	= PROPOSED FIRE HYDRANT
	= PROPOSED FIRE DEPT CONNECTION
DC	= PROPOSED DETECTOR CHECK VALVE
EXIST. or EX.	= EXISTING
PROP.	= PROPOSED
LS	= LANDSCAPE
RCP	= REINFORCED CONCRETE PIPE
min	= MINIMUM
max	= MAXIMUM



SITE DATA:

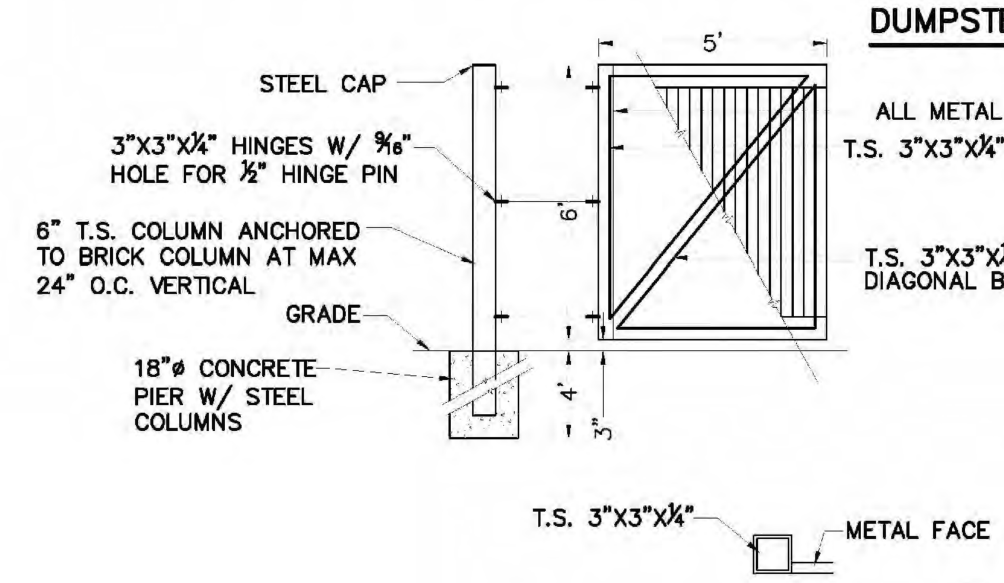
LOT AREA:
3.42 Acres, 148,999 sq. ft.
LOT COVERAGE:
0.5%
FLOOR TO AREA RATIO:
216:1
BUILDING AREA:
689 sf
BUILDING HEIGHT:
16.33' (ONE STORY)
PROPOSED USE:
Office/Truck/Bus storage
IMPERVIOUS AREA (including buildings):
39,893 sq.ft.
ZONING:
IN (Industrial)
PARKING:
Office:
Required=1/300sf (689/300=3)
Provided=3
Trailer/Bus:
Provided=26
LANDSCAPE AREA:
Required: 14,899 sq.ft.
Provided: 109,106 sq.ft.



DUMPSTER PAD DETAIL
N.T.S.

ONLY DRAWINGS STAMPED "RELEASED FOR CONSTRUCTION" BY THE CITY OF GARLAND TO BE USED FOR CONSTRUCTION.

STATE OF TEXAS
GERALD E. MONK
44563
REGISTERED PROFESSIONAL ENGINEER



DUMPSTER GATE DETAIL
N.T.S.

1) BENCHMARK:
CITY OF GARLAND GPS MONUMENT NO. 225
N=7021507.639
E=2526082.896
ELEV = 610.56

2) BENCHMARK:
CITY OF GARLAND GPS MONUMENT NO. 32
N=7011287.66
E=2526697.41
ELEV = 592.40

NOTE:
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CASE # 180724-2

PRELIMINARY SITE PLAN

STAR MILLER PARK

3877 MILLER PARK DRIVE
REBELIN-PARK ADDITION
LOT 2, BLOCK 1, 3.42 Acres
City of Garland, Dallas County, Texas
developer/contractor

37 STARS REALTY, LLC
12101 Greenville Ave N. ste 102,
Dallas, Texas 75243
Contact: Moses NeGusse 972) 743-1223
prepared by

MONK CONSULTING ENGINEERS
1200 W. State Street, Garland Texas 75040
972 272-1763 Fax 972 272-8761

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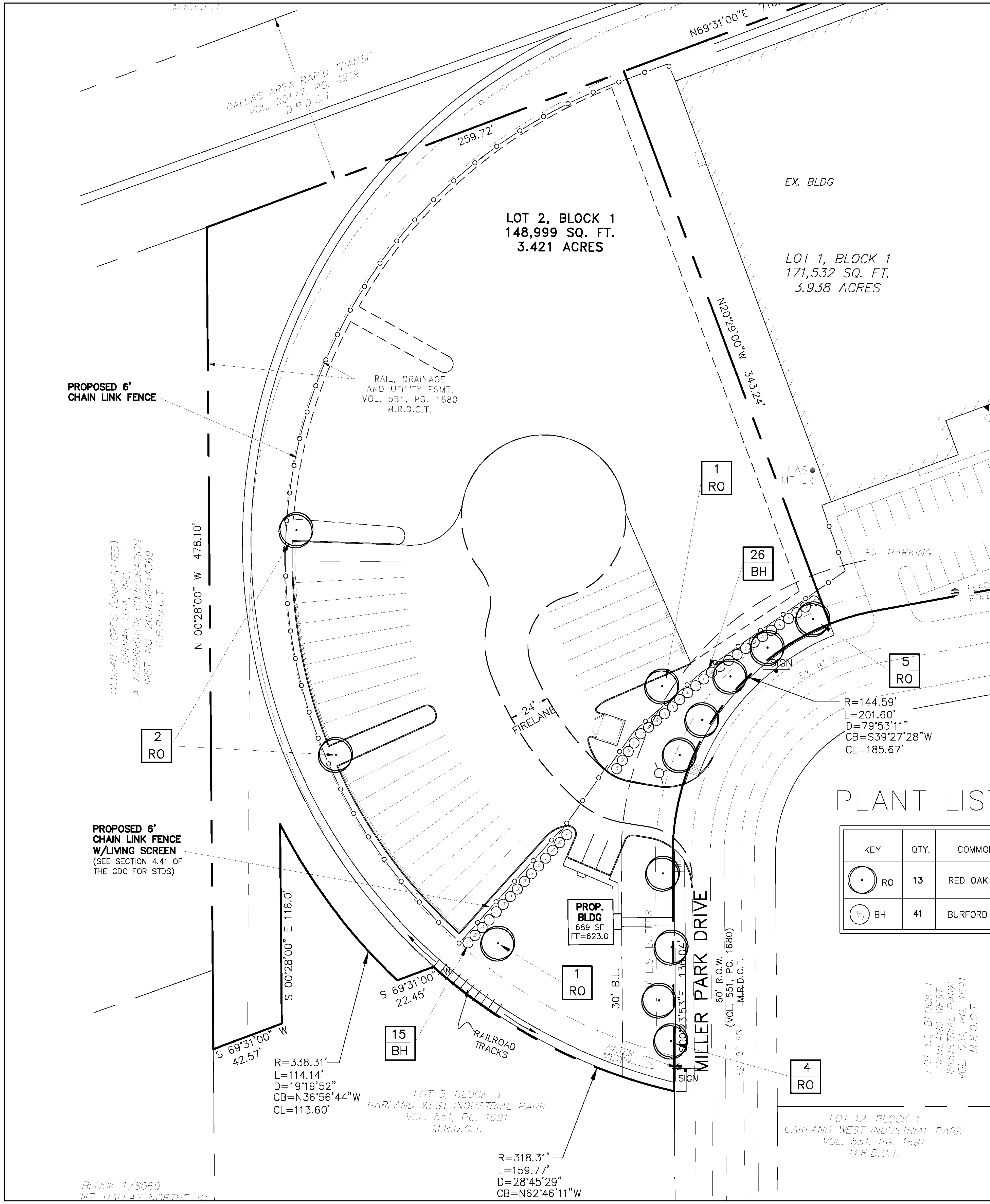
PROJECT NO.: 2018-11 REG. NO.: F-2567

date:	scale:	sheet:
10/12/18	1"=30'	C101

EXHIBIT D



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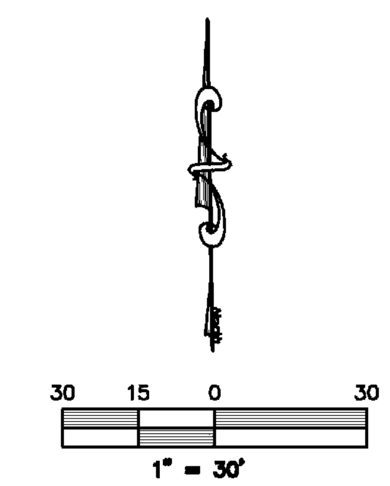

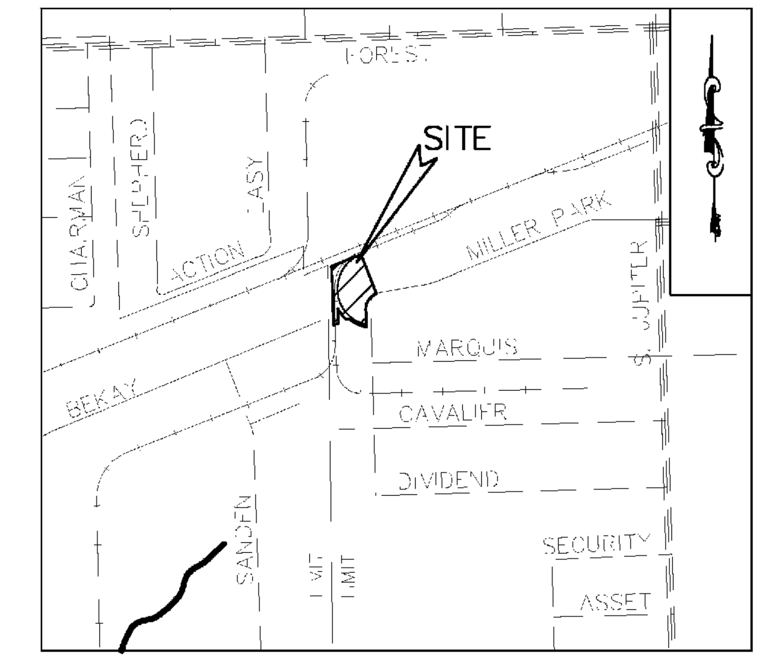

VICINITY MAP
NOT TO SCALE

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- EXIST. or EX. = EXISTING
- PROP. = PROPOSED
- LS = LANDSCAPE
- RCP = REINFORCED CONCRETE PIPE
- min = MINIMUM
- max = MAXIMUM

LANDSCAPE DATA:

LOT AREA:
3.42 Acres, 148,999 sq. ft.
LANDSCAPE AREA:
Required: 14,899 sq.ft.
Provided: 109,106 sq.ft.
FRONTAGE TREES:
Required: 9 (1/30LF)
Provided: 9
PARKING TREES:
Required: 1/65' of parking
Provided: 4
LS BUFFER:
Required: 10' along frontage

ONLY DRAWINGS STAMPED "RELEASED FOR CONSTRUCTION" BY THE CITY OF GARLAND TO BE USED FOR CONSTRUCTION.

PLANT LIST

KEY	QTY.	COMMON NAME	BOTANICAL NAME	SIZE	REMARKS
RO	13	RED OAK	Quercus virginiana	Minimum 6" caliper; 10'-12' ht.	Nursery-grown B&B, full head, single trunk
BH	41	BURFORD HOLLY	Ilex cornuta "Burfordii"	Minimum 8' ht at time of planting	Full; plant 72" o.c.

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E=2526082.896
ELEV = 610.56

2) BENCHMARK:
CITY OF GARLAND GPS MONUMENT NO. 32
N=7011287.66
E=2526697.41
ELEV = 592.40

CASE # 180724-2

PRELIMINARY LANDSCAPE PLAN

STAR MILLER PARK DRIVE

3877 MILLER PARK DRIVE
REBELIN-PARK ADDITION
LOT 2, BLOCK 1, 3.42 Acres
City of Garland, Dallas County, Texas

developer/contractor

37 STARS REALTY, LLC
12101 Greenville Ave N. ste 102,
Dallas, Texas 75243
Contact: Moses NeGusse 972) 743-1223

prepared by

MONK CONSULTING ENGINEERS
1200 W. State Street, Garland Texas 75040
972 272-1763 Fax 972 272-8761

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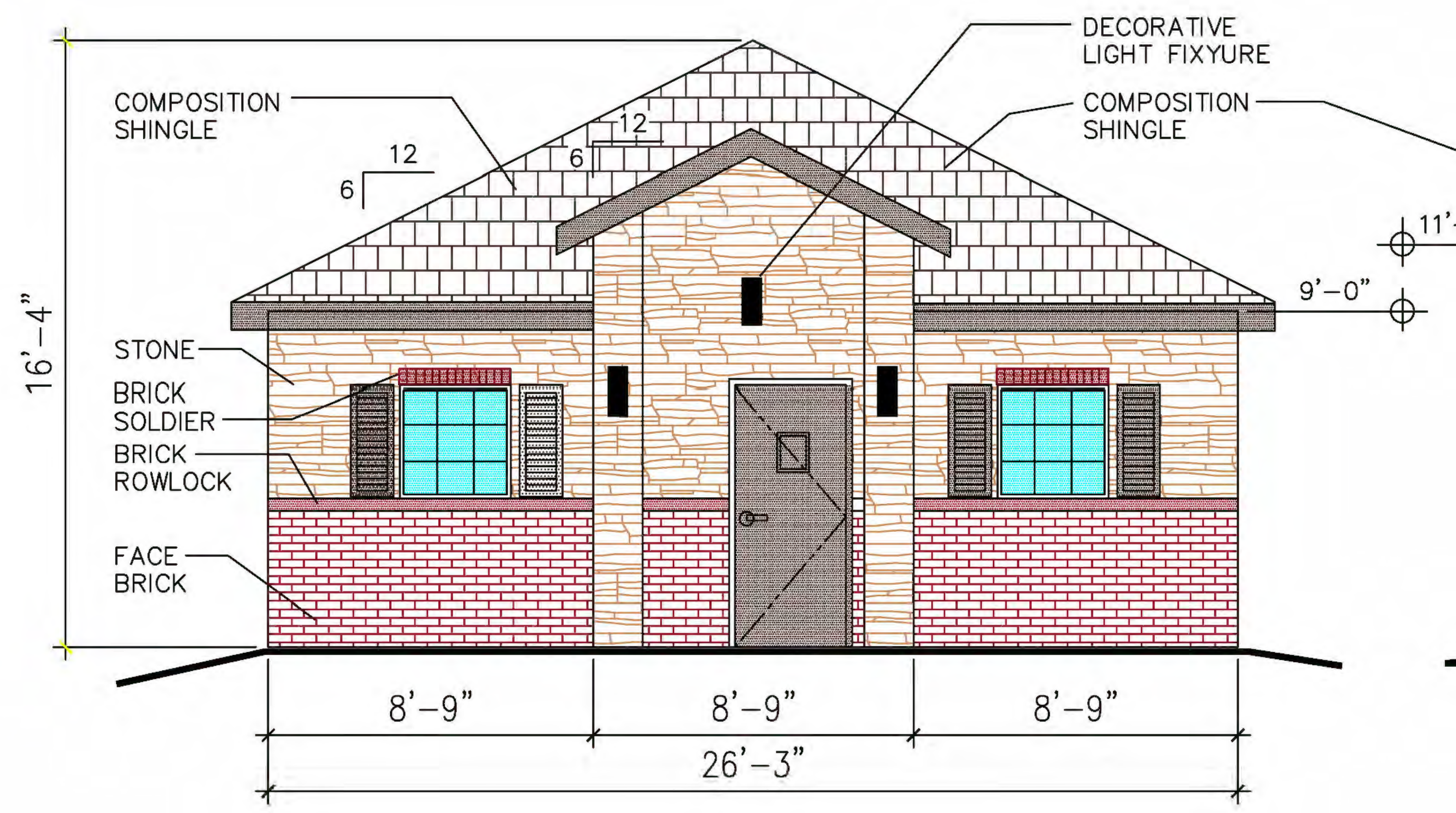
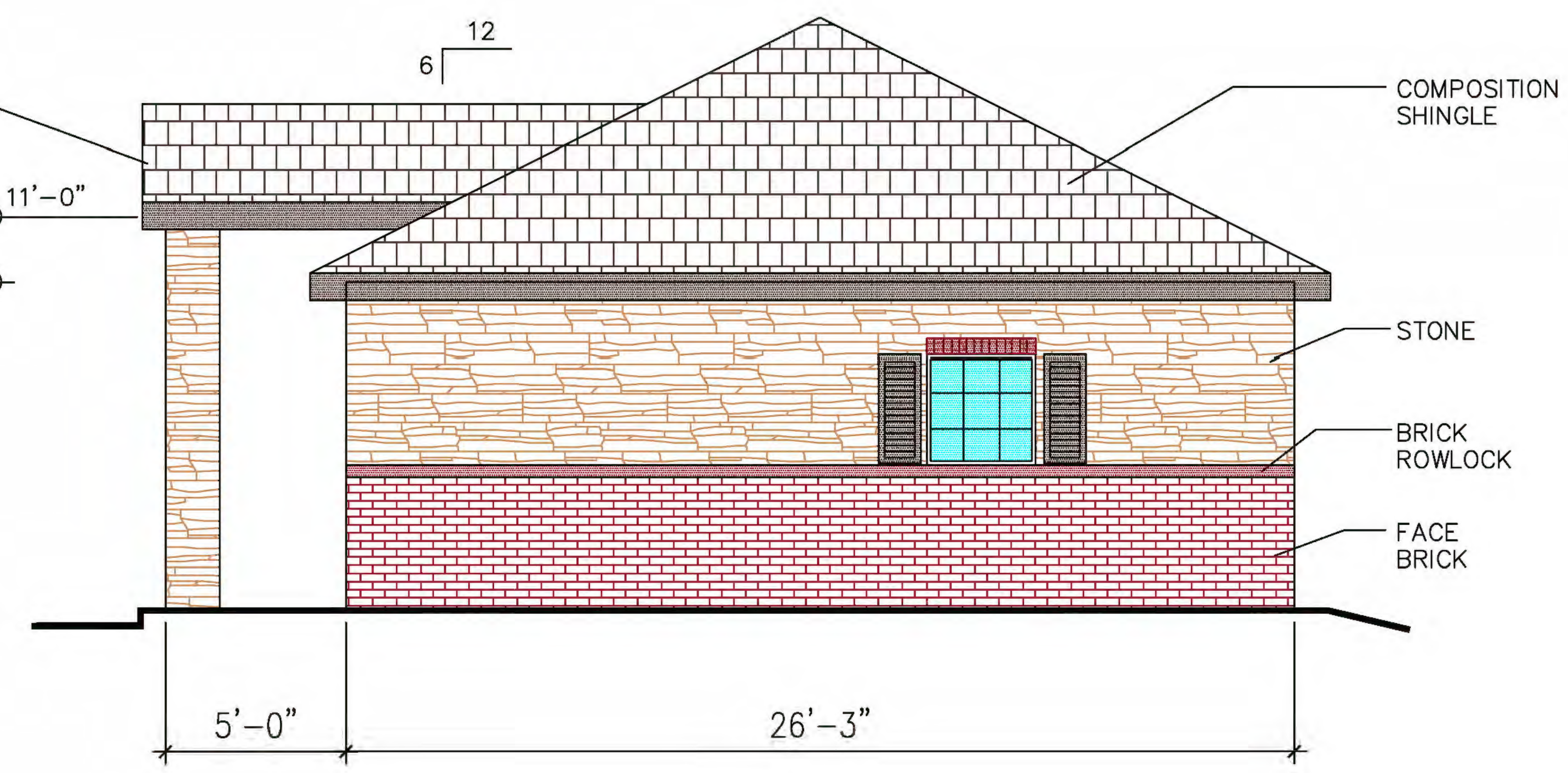
PROJECT NO.: 2018-11 REG. NO.: F-2567

date:	scale:	sheet:
10/12/18	1"=30'	L101

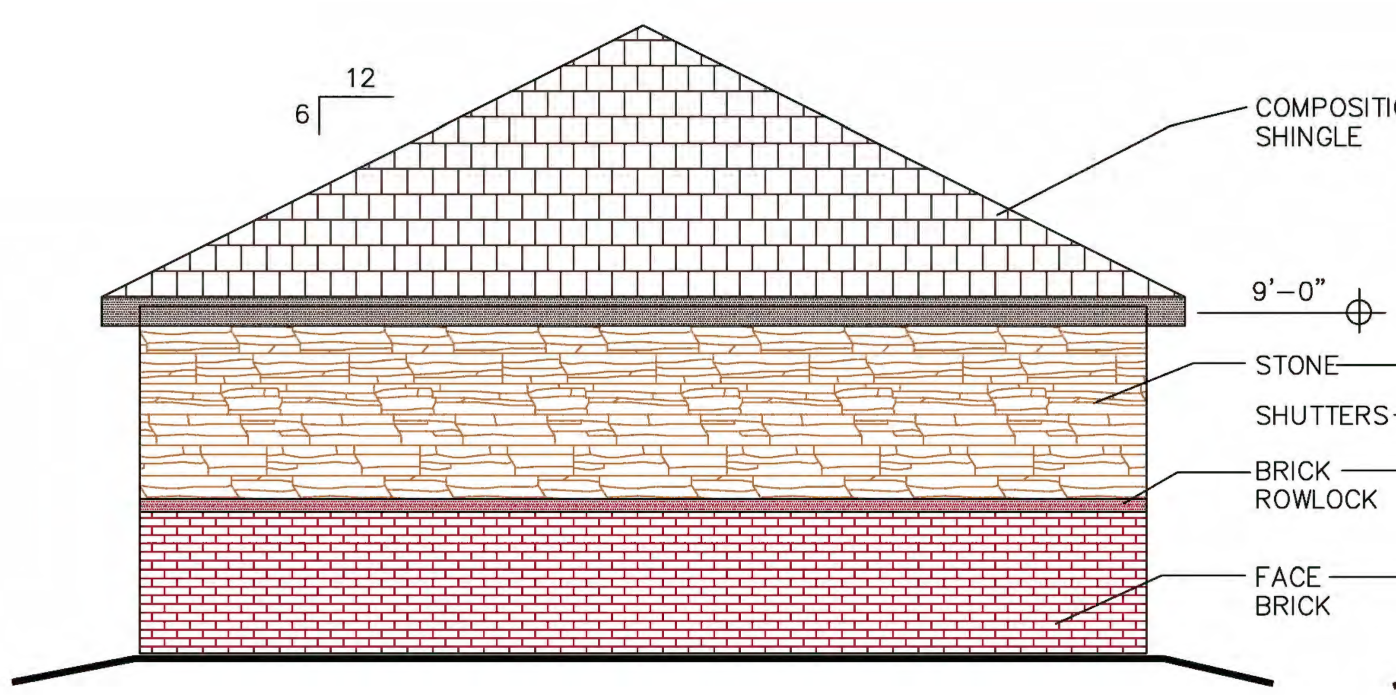
EXHIBIT E

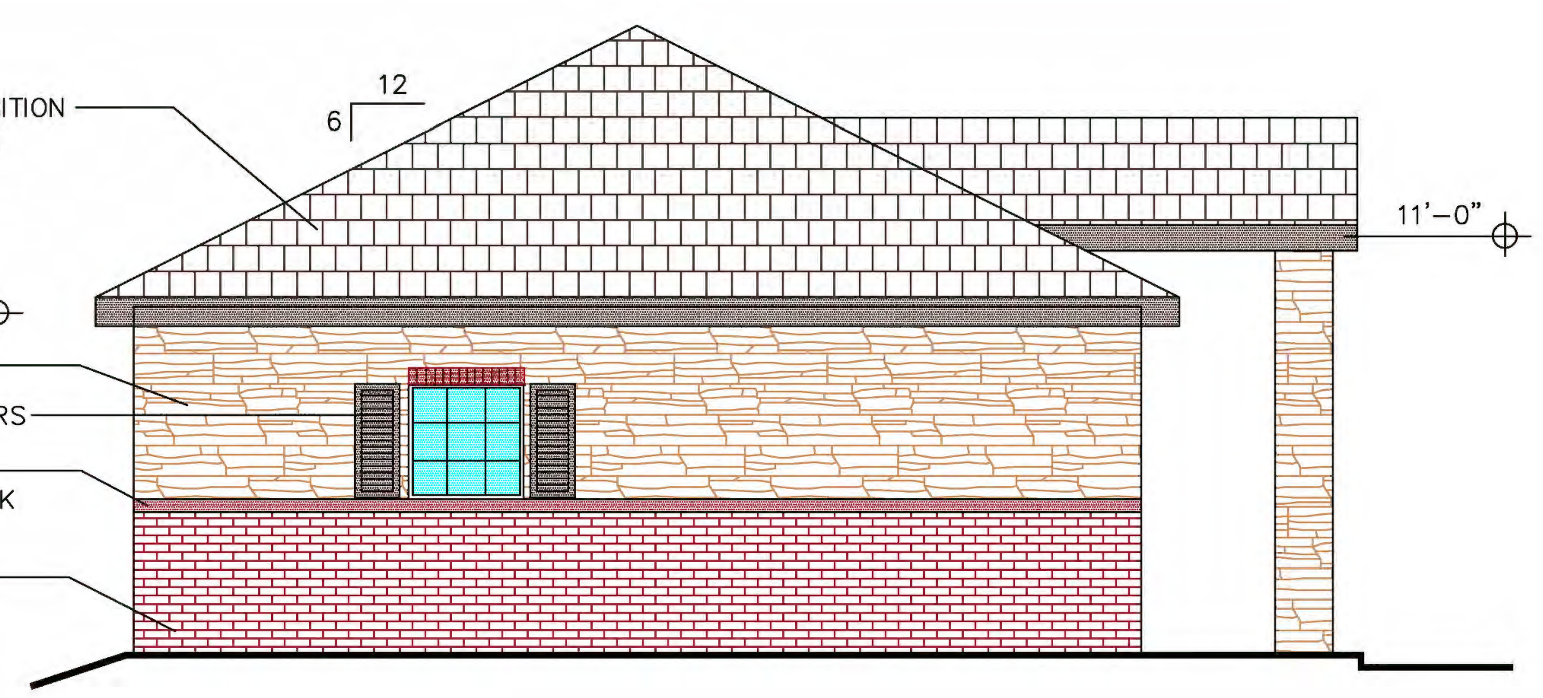


1 East Elevation (Miller Park)
SCALE 1/4" = 1'-0"



2 North Elevation
SCALE 1/4" = 1'-0"





3 West Elevation
SCALE 1/4" = 1'-0"

4 South Elevation
SCALE 1/4" = 1'-0"

Material Information

East Elevation		
	Brick	45 %
	Stone	55 %
	Masonry %	100 %
North Elevation		
	Brick	54 %
	Stone	46 %
	Masonry %	100 %
West Elevation		
	Brick	54 %
	Stone	46 %
	Masonry %	100 %
South Elevation		
	Brick	60 %
	Stone	40 %
	Masonry %	100 %

Articulations

Not required under 30'

Architectural Elements

(c) Divided Light Windows
(g) Recessed Entries
(e) Shutters
(i) Bench for outdoor seating
(n) Varied Roof Heights
(j) Distinctive Lighting Fixture

Park Bench (Located on North Side of building)
Refer to site Plan for location

CASE # 180724-2

ELEVATIONS

STAR MILLER PARK
3877 MILLER PARK DRIVE

REBELIN-PARK ADDITION
LOT 2, BLOCK 1, 3.42 Acres
City of Garland, Dallas County, Texas

developer/contractor

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PROJECT NO.: 2018-11
REG. NO.: F-2567

date:	scale:	sheet:
10/4/18	1/4"=1'-0"	A101

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **4.**

Meeting Date: 12/04/2018

Item Title: Bond Refunding - Water and Sewer Utiltiy System

Submitted By: Matt Watson, Finance Director

Summary of Request/Problem

At the November 5, 2018 Work Session, Council considered authorizing the refunding of approximately $10.5 million of Water and Sewer System Revenue Bonds, Series 2009 with Water and Sewer System Revenue Refunding Bonds. The purpose of this transaction is to refund existing Water and Sewer fixed rate debt with new Water and Sewer fixed rate debt to reduce debt service.

Recommendation/Action Requested and Justification

Approve the sale of Water and Sewer System Revenue Refunding Bonds, New Series 2018A.

Attachments

Draft Ordinance

ORDINANCE NO. _______

AN ORDINANCE authorizing the issuance of "CITY OF GARLAND, TEXAS, WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, NEW SERIES 2018A", pledging net revenues of the City's Water and Sewer System to the security of and the payment of the principal of and interest on said bonds; specifying the terms and conditions of such bonds; resolving other matters incident and related to the issuance, payment, security, sale and delivery of said bonds, including the approval and execution of a Paying Agent/Registrar Agreement, a Purchase Agreement and an Escrow Agreement; and the approval and distribution of a Preliminary Official Statement and an Official Statement; and providing an effective date.

WHEREAS, the City Council (the "Council") of the City of Garland, Texas (the "City") has heretofore issued, sold, and delivered, and there is currently outstanding, obligations of the following issue or series, to wit: City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2009, dated May 15, 2009, scheduled to mature on March 1 in each of the years 2020 through 2029, and aggregating in the principal amount of $10,530,000 (hereinafter referred to as the "Refunded Bonds"); and

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended, the Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with the place of payment for the Refunded Bonds, or other authorized depository, and such deposit, when made in accordance with said statute and the ordinance authorizing the issuance of the Refunded Bonds, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

WHEREAS, the Council hereby finds and determines that refunding bonds should be issued at this time to refund the Refunded Bonds, and such refunding will result in the City saving approximately $_____ in debt service payments on such indebtedness and provide a net present value savings of approximately $______; and

WHEREAS, the bonds to be issued pursuant to the terms and provisions of this Ordinance will be secured by a lien on and pledge of the net revenues of the System (as hereinafter defined) which is subordinate to the pledge of and lien on such net revenues associated with the Prior Lien Bonds (as hereinafter defined); and

WHEREAS, the Council finds and determines that it is in the best interest of the City and its inhabitants to proceed with the issuance of bonds to provide funds for the purposes hereinafter specified; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND:

SECTION 1. Authorization - Designation - Principal Amount - Purpose. Revenue bonds of the City shall be and are hereby authorized to be issued in the aggregate principal amount of $_________ to be designated and bear the title "CITY OF GARLAND, TEXAS, WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, NEW SERIES 2018A" (the "Bonds"), for the purposes of (i) refunding certain outstanding obligations payable from revenues of the City's Water and Sewer System (identified in the preamble hereof as the "Refunded Bonds") and (ii) paying costs of issuance, all in conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapter 1207, as amended.

SECTION 2. Fully Registered Obligations - Authorized Denominations - Stated Maturities - Interest Maximum Rate - Bond Date. The Bonds shall be in fully registered form, without coupons; dated December 1, 2018 (the "Bond Date"); shall be in denominations of $5,000 or integral multiples thereof; and shall become due and payable on March 1 in each of the years in the principal amounts (the "Stated Maturities") and bear interest at the per annum rate(s) in accordance with the following schedule:

Year of Stated Maturity	Principal Amount ($)	Interest Rates (%)
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		

The Bonds shall bear interest on the unpaid principal amounts from the date of delivery to the initial purchasers at the rate(s) per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on March 1 and September 1 of each year commencing March 1, 2019, until maturity or prior redemption.

SECTION 3. Payment of the Bonds - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas, to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. The Security Register shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement", substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor and City Secretary are hereby authorized to execute and deliver the Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or upon prior redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices, initially in Salt Lake City, Utah, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the fifteenth (15th) day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar 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 when 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.

In the event of a non-payment of interest on one or more maturities on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment for such maturity or maturities (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 (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder of such maturity or maturities appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4. Redemption.

(a) Optional Redemption. The City reserves the right and option to redeem the Bonds maturing on March 1, 2029, in whole or in part, before their scheduled maturity date, on March 1, 2028, or on any date thereafter at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest from the most recent interest payment date on which interest has been paid or duly provided for to the date fixed for redemption.

At least forty-five (45) days prior to an optional redemption date for the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Bonds, the principal amount of each Stated Maturity to be optionally redeemed, and the date of redemption therefor. The decision of the City to exercise the right to optionally redeem Bonds shall be entered in the minutes of the governing body of the City.

(b) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Bonds as representing the number of Bonds Outstanding, which is obtained by dividing the principal amount of such Bonds by $5,000, and shall select the Bonds to be redeemed within such Stated Maturity by lot.

(c) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given as hereinabove provided, such Bond (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys sufficient for the payment of such Bond (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(d) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

SECTION 5. Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with the provisions of an agreement with the Paying Agent/Registrar and such rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) referenced in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class, postage prepaid to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be “Predecessor Bonds,” evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term “Predecessor Bonds” shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 32 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6. Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in this Ordinance relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of the “Book-Entry-Only” securities clearance, settlement, and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York (“DTC”), in accordance with the requirements and procedures identified in the DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representations from the Paying Agent/Registrar to DTC (collectively, the “Depository Agreement”) relating to the Bonds.

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the “DTC Participants”). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3, 4 and 5 hereof.

SECTION 7. Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals executing the same shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

SECTION 8. Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount stated in Section 1 hereof with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bond(s) submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9. Form of Bonds.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and 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 insurance legends in the event the Bonds, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bonds.

REGISTERED NO. ___ REGISTERED $__________

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF GARLAND, TEXAS
WATER AND SEWER SYSTEM REVENUE REFUNDING BOND
NEW SERIES 2018A

Bond Date:	Stated Maturity:	Interest Rate:	CUSIP No.:
December 1, 2018	March 1, 20__	________%	_________

Registered Owner:

Principal Amount: DOLLARS

The City of Garland (the "City"), in the State of Texas, for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or its registered assigns, solely from the revenues hereinafter identified, on the Stated Maturity specified above, the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on such unpaid principal amount from the later of the date of delivery to the initial purchasers or the most recent interest payment date to which interest has been paid or duly provided for, semiannually on March 1 and September 1 in each year, commencing March 1, 2019, until maturity or prior redemption, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months. The principal of this Bond is payable upon presentation and surrender of this Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. The interest payable on any interest payment date will be paid to the Holder of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date" for such interest, which shall be the fifteenth (15th) day of the month next preceding such interest payment date. If the date for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or day on which banking institutions are required or authorized by law or executive order to close, and payment on such date shall have the same force and effect as if made on the original date payment was due. All such payments may be made by the Paying Agent/Registrar by check dated as of the interest payment date and mailed to such Holder at the address appearing in the register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar, requested in writing by, and at the risk and expense of, the Holder hereof. All payments of principal of, premium, if any, and interest on this Bond shall be made in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, without exchange or collection charges to the Holder of this Bond.

This Bond is one of the series specified in its title issued in the aggregate principal amount of $_______ (herein referred to as the "Bonds") for the purposes of (i) providing funds for the discharge and final payment of the Refunded Bonds (identified and defined in the Ordinance hereinafter referenced) and (ii) paying costs of issuance, all under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapter 1207, as amended, and an Ordinance adopted by the governing body of the City (herein referred to as the "Ordinance").

The Bonds maturing on March 1, 2029, may be redeemed prior to their Stated Maturity, at the option of the City, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on March 1, 2028, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of each Bond to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within 45 days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds constitute special obligations of the City and, together with any Additional Bonds, if issued, are payable solely from and equally secured by a lien on and pledge of the Net Revenues of the System, such lien and pledge, however, being junior and subordinate to the lien on and pledge of such Net Revenues to the payment and security of the Prior Lien Bonds (as defined in the Ordinance). The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the System, except with respect to the Net Revenues.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

The City expressly reserves the right to issue additional revenue obligations in all things on a parity with the Bonds, payable solely from and equally secured by the same lien on and pledge of the Net Revenues of the System as the Bonds; provided, however, that any and all such additional obligations may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Ordinance, to which reference is hereby made for more complete and full particulars.

As provided in the Ordinance, no additional obligations will be authorized or issued on a parity with the outstanding Prior Lien Bonds; and the Bonds, together with additional obligations hereafter issued on a parity therewith, will become obligations equally secured by a first lien on and pledge of the Net Revenues of the System at such time as the principal of and interest on the Prior Lien Bonds have been fully paid or provision for the payment of said Prior Lien Bonds has been made in accordance with applicable law.

It is hereby certified and recited that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and to be done precedent to and in the issuance of the Bonds to render the same lawful and valid have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas and the Ordinance; that the Bonds do not exceed any constitutional or statutory limitation; and that provision has been made for the payment of the principal of and interest on the Bonds by irrevocably pledging the Net Revenues of the System, as hereinabove recited.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder of this Bond by the acceptance hereof hereby assents, for (1) definitions of terms; (2) the description of and the nature and extent of the security for the payment of the Bonds; (3) the properties constituting the System; (4) the Net Revenues pledged to the payment of the principal of and interest on the Bonds; (5) the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; (6) the terms and conditions for the issuance of additional revenue obligations; (7) the terms and conditions relating to the transfer or exchange of this Bond; (8) the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; (9) the rights, duties, and obligations of the City and the Paying Agent/Registrar; (10) the terms and provisions upon which the liens, pledges, charges, and covenants made therein may be discharged at or prior to the maturity or redemption of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and (11) for the other terms and provisions contained therein. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (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 (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

In case any provision in this Bond or any application thereof shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. This Bond shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City as of the Bond Date.

____
Mayor

COUNTERSIGNED:

____
City Secretary

(City Seal)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

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

I HEREBY CERTIFY THAT this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and further that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this ____________________.

____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar in Salt Lake City, Utah is the "Designated Payment/Transfer Office" for this Bond.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, Houston, Texas
as Paying Agent/Registrar

Dated: ______________________________

By: ___________________________________
Authorized Signatory
Amegy Bank Division

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee:) ____________________________
____
(Social Security or other identifying number: ____
____________________________________) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____
____
attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ________________________________

Signature guaranteed:

____

____
NOTICE: The signature on this assignment must correspond with the name of the Holder as it appears on the face of the within Bond in every particular.

(f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section, except that the form of the single fully registered Initial Bond shall be modified as follows:

Heading and first paragraph shall read as follows:

REGISTERED	REGISTERED
NO. T-1	$_________

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF GARLAND, TEXAS
WATER AND SEWER SYSTEM REVENUE REFUNDING BOND
NEW SERIES 2018A

Bond Date: December 1, 2018

Registered Owner: BOK FINANCIAL SECURITIES, INC.

Principal Amount: ______ MILLION __________ THOUSAND DOLLARS

The City of Garland, Texas (hereinafter referred to as the "City"), for value received, hereby promises to pay to the Registered Owner named above (the "Holder") or the registered assigns thereof, solely from the revenues hereinafter identified, on March 1 in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

YEAR OF MATURITY	PRINCIPAL INSTALLMENTS ($)	INTEREST RATES (%)

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on such unpaid principal amount from the later of the date of delivery to the initial purchasers or the most recent interest payment date to which interest has been paid or duly provided for, semiannually on March 1 and September 1 in each year, commencing March 1, 2019, until maturity or prior redemption, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months. The principal of this Bond is payable to the registered owner hereof by Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas (the "Paying Agent/Registrar"), upon its presentation and surrender, at its designated offices, initially in Salt Lake City, Utah, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). The interest payable on any interest payment date will be paid to the Holder of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the Record Date for such interest, which shall be the fifteenth (15th) day of the month next preceding such interest payment date. If the date for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or day on which banking institutions are required or authorized by law or executive order to close, and payment on such date shall have the same force and effect as if made on the original date payment was due. All such payments may be made by the Paying Agent/Registrar by check dated as of the interest payment date and mailed to such Holder at the address appearing in the register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar, requested in writing by, and at the risk and expense of, the Holder hereof. All payments of principal of, premium, if any, and interest on this Bond shall be made in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, without exchange or collection charges to the Holder of this Bond.

SECTION 10. Definitions. For all purposes of this Ordinance and in particular for clarity with respect to the issuance of the Bonds and the pledge and appropriation of revenues therefor, the following definitions are provided:

(a) The term "Additional Bonds" shall mean the additional parity revenue obligations authorized to be issued in accordance with the terms and conditions prescribed in Section 20 hereof.

(b) The term "Annual Debt Service Requirements" shall mean, for any Fiscal Year, the principal of and interest on all Bonds Similarly Secured coming due at Maturity or Stated Maturity (or that could come due on demand of the owner thereof other than by acceleration or other demand conditioned upon default by the City on such Debt, or be payable in respect of any required purchase of such Debt by the City) in such Fiscal Year, and, for such purposes, any one or more of the following rules shall apply at the election of the City:

(i) Committed Take Out. If the City has entered into a Credit Agreement constituting a binding commitment within normal commercial practice to discharge any of its Funded Debt at its Stated Maturity (or, if due on demand, at any date on which demand may be made) or to purchase any of its Funded Debt at any date on which such Debt is subject to required purchase, all under arrangements whereby the City's obligation to repay the amounts advanced for such discharge or purchase constitutes Funded Debt, then the portion of the Funded Debt committed to be discharged or purchased shall be excluded from such calculation and the principal of and interest on the Funded Debt incurred for such discharging or purchase that would be due in the Fiscal Year for which the calculation is being made, if incurred at the Stated Maturity or purchase date of the Funded Debt to be discharged or purchased, shall be added;

(ii) Balloon Debt. If the principal (including the accretion of interest resulting from original issue discount or compounding of interest) of any series or issue of Funded Debt due (or payable in respect of any required purchase of such Funded Debt by the City) in any Fiscal Year either is equal to at least 25% of the total principal (including the accretion of interest resulting from original issue discount or compounding of interest) of such Funded Debt or exceeds by more than 50% the greatest amount of principal of such series or issue of Funded Debt due in any preceding or succeeding Fiscal Year (such principal due in such Fiscal Year for such series or issue of Funded Debt being referred to herein as "Balloon Debt"), the amount of principal of such Balloon Debt taken into account during any Fiscal Year shall be equal to the debt service calculated using the original principal amount of such Balloon Debt amortized over the Term of Issue on a level debt service basis at an assumed interest rate equal to the rate borne by such Balloon Debt on the date of calculation;

(iii) Consent Sinking Fund. In the case of Balloon Debt (as defined in clause (ii) above), if the City Manager or the Finance Director or a designee of either shall deliver to the City a certificate providing for the retirement of (and the instrument creating such Balloon Debt shall permit the retirement of), or for the accumulation of a sinking fund for (and the instrument creating such Balloon Debt shall permit the accumulation of a sinking fund for), such Balloon Debt according to a fixed schedule stated in such certificate ending on or before the Fiscal Year in which such principal (and premium, if any) is due, then the principal of (and, in the case of retirement, or to the extent provided for by the sinking fund accumulation, the premium, if any, and interest and other debt service charges on) such Balloon Debt shall be computed as if the same were due in accordance with such schedule, provided that this clause (iii) shall apply only to Balloon Debt for which the installments previously scheduled have been paid or deposited to the sinking fund established with respect to such Debt on or before the times required by such schedule; and provided further that this clause (iii) shall not apply where the City has elected to apply the rule set forth in clause (ii) above;

(iv) Prepaid Debt. Principal of and interest on Bonds Similarly Secured, or portions thereof, shall not be included in the computation of the Annual Debt Service Requirements for any Fiscal Year for which such principal or interest are payable from funds on deposit or set aside in trust for the payment thereof at the time of such calculations (including without limitation capitalized interest and accrued interest so deposited or set aside in trust) with a financial institution acting as fiduciary with respect to the payment of such Debt;

(v) Variable Rate.

(1) Except as hereinafter provided in this subparagraph, the rate of interest on Variable Rate Obligations then proposed to be issued shall be deemed to be the average for the then immediately preceding five (5) years of the SIFMA Index, plus twenty (20) basis points; provided, however, that (i) if, after the issuance of the Variable Rate Obligations then proposed to be issued, more than 20% of the aggregate of the Bonds Similarly Secured Outstanding will bear interest at a variable rate and (ii) any Bond Similarly Secured is then insured by a Bond Insurer, the rate of interest on Variable Rate Obligations then proposed to be issued shall be deemed to be the greater of (x) the most recently announced thirty (30) year Revenue Bond Index published by The Bond Buyer, a financial journal published, as of the date the Ordinance was adopted, in the City of New York, New York, (y) the rate of interest then borne by any Variable Rate Obligations then Outstanding, or (z) 1.25 times the average variable rate borne by any Variable Rate Obligations then Outstanding during the then immediately preceding twelve-month period; and

(2) Except as hereinafter provided in this subparagraph, the rate of interest on Variable Rate Obligations outstanding at the time of such calculation shall be deemed to be the lesser of (i) the then current per annum rate of interest borne by such Variable Rate Obligations or (ii) the average per annum rate of interest borne by such Variable Rate Obligations during the then immediately preceding twelve-month period; provided, however, that for any period during which (a) more than 20% of the aggregate of the Bonds Similarly Secured then Outstanding bear interest at a variable rate and (b) any Bond Similarly Secured is then insured by a Bond Insurer, the rate of interest on such Variable Rate Obligations shall be the greater of (x) the most recently announced 30-year Revenue Bond Index published by The Bond Buyer, a financial journal published, as of the date the Ordinance was adopted, in the City of New York, New York, (y) the rate of interest then in effect with respect to such Variable Rate Obligations in accordance with their terms, or (z) 1.25 times the average variable rate borne by such Variable Rate Obligations during the then immediately preceding twelve-month period;

(vi) <u>Guarantee</u>. In the case of any guarantee, as described in clause (ii) of the definition of Debt, no obligation will be counted if the City does not anticipate in its annual budget that it will make any payments on the guarantee. If however, the City is making payments on a guarantee or anticipates doing so in its annual budget, such obligation shall be treated as Parity Bonds and calculations of annual debt service requirements with respect to such guarantee shall be made assuming that the City will make all additional payments due under the guaranteed obligation. If the entity whose obligation is guaranteed cures all defaults and the City no longer anticipates making payments under the guarantee, the guaranteed obligations shall not be included in the calculation of Annual Debt Service Requirements;

(vii) <u>Commercial Paper</u>. With respect to any Bonds Similarly Secured issued in the form of commercial paper with maturities not exceeding 270 days, the interest on such Bonds Similarly Secured shall be calculated in the manner provided in clause (v) of this definition and the maturity schedule shall be calculated in the manner provided in clause (ii) of this definition; and

(viii) Credit Agreement Payments. If the City has entered into a Credit Agreement in connection with an issue of Debt, payments due under the Credit Agreement (other than payments made by the City in connection with the termination or unwinding of a Credit Agreement), from either the City or the Credit Provider, shall be included in such calculation except to the extent that the payments are already taken into account under (i) through (vii) above and any payments otherwise included above under (i) through (vii) which are to be replaced by payments under a Credit Agreement, from either the City or the Credit Provider, shall be excluded from such calculation.

(c) The term "Bonds" shall mean the "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018A", dated December 1, 2018, authorized by this Ordinance.

(d) The term "Bonds Similarly Secured" shall mean, collectively, the Bonds, the Previously Issued Bonds and any Additional Bonds.

(e) The term "City" shall mean the City of Garland, Texas.

(f) The term "Consultant" shall mean an independent firm, person or corporation recognized as having expertise and with a favorable reputation for special skill and knowledge in the operations and financing of municipal water and sewer facilities and systems similar in size to the System.

(g) The term "Credit Agreement" shall mean, collectively, a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitments to purchase Bonds Similarly Secured, purchase or sale agreements, interest rate swap agreements, currency exchange agreements, interest rate floor or cap agreements, or commitments or other contracts or agreements authorized, recognized and approved by the City as a Credit Agreement in connection with the authorization, issuance, security, or payment of Bonds Similarly Secured and on a parity therewith.

(h) The term "Credit Facility" shall mean (i) a policy of insurance or a surety bond, issued by an issuer of policies of insurance insuring the timely payment of debt service on governmental obligations, provided that a Rating Agency having an outstanding rating on Bonds Similarly Secured would rate the Bonds Similarly Secured fully insured by a standard policy issued by the issuer in its two highest generic rating categories for such obligations; and (ii) a letter or line of credit issued by any financial institution, provided that a Rating Agency having an outstanding rating on the Bonds Similarly Secured would rate the Bonds Similarly Secured in its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Bonds Similarly Secured and the interest thereon; and, in any case, no lower than the rating assigned by a Rating Agency to the Bonds Similarly Secured.

(i) The term "Credit Provider" shall mean any bank, financial institution, insurance company, surety bond provider, or other entity which provides, executes, issues, or otherwise is a party to or provider of a Credit Agreement.

(j) The term "Debt" shall mean, with respect to the System, all:

(i) indebtedness incurred or assumed by the City for borrowed money (including indebtedness arising under Credit Agreements) and all other financing obligations of the City that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet;

(ii) all other indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or for the acquisition, construction, or improvement of property or capitalized lease obligations that is guaranteed, directly or indirectly, in any manner by the City, or that is in effect guaranteed, directly or indirectly, by the City through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(iii) all indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by the City whether or not the City has assumed or become liable for the payment thereof.

For the purpose of determining the "Debt" of the City, there shall be excluded any particular Debt if, upon or prior to the Maturity thereof, there shall have been deposited with the proper depository (a) in trust the necessary funds (or investments that will provide sufficient funds, if permitted by the instrument creating such Debt) for the payment, redemption, or satisfaction of such Debt or (b) evidence of such Debt deposited for cancellation; and thereafter it shall not be considered Debt. No item shall be considered Debt unless such item constitutes indebtedness under generally accepted accounting principles applied on a basis consistent with the financial statements prepared by or for the benefit of the City in prior Fiscal Years.

(k) The term "Fiscal Year" shall mean the 12 month period ending September 30th of each year; provided, however, the City may change the Fiscal Year to another period of not less than 12 calendar months, but in no event may the Fiscal Year be changed more than one time in any three calendar year period.

(l) The term "Government Obligations", as used herein, shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Bonds under the then applicable laws of the State of Texas.

(m) The term "Maturity" shall mean, when used with respect to any Debt, the date on which the principal of such Debt or any installment thereof becomes due and payable as therein provided, whether at the Stated Maturity thereof or by declaration of acceleration, call for redemption, or otherwise.

(n) The term “Net Revenues” shall mean the gross revenues of the System less the expenses of operation and maintenance, including all salaries, labor, materials, repairs and extensions necessary to render efficient service, provided, however, that only such repairs and extensions as in the judgment of the Council, reasonably and fairly exercised are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the security of any obligations payable from and secured by a lien on the net revenues of the System shall be deducted in determining “Net Revenues.” Depreciation shall not be considered an operation or maintenance expense of the System.

(o) The term “New Series 2018 Bonds” shall mean the “City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018”, dated May 15, 2018.

(p) The term “Outstanding” when used in this Ordinance with respect to the Bonds means, as of the date of determination, all Bonds and Bonds Similarly Secured theretofore issued and delivered, except:

(i) those Bonds or Bonds Similarly Secured theretofore cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(ii) those Bonds or Bonds Similarly Secured for which payment has been duly provided by the City in accordance with the provisions of Section 39 hereof by the irrevocable deposit with the Paying Agent/Registrar of money or Government Obligations, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds or Bonds Similarly Secured are to be redeemed, notice of redemption thereof shall have been duly given pursuant to the ordinance authorizing the issuance of such Bonds or Bonds Similarly Secured or irrevocably provided to be given to the satisfaction of the Paying Agent/Registrar, or waived; and

(iii) those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost or stolen and for which replacement bonds have been registered and delivered in lieu thereof.

(q) The term “Owner,” with respect to any Bond shall mean the person in whose name such Bond is registered on the register kept by the Paying Agent/Registrar.

(r) The term “Paying Agent/Registrar” shall mean the person or entity designated as such pursuant to Section 3 of this Ordinance.

(s) The term “Previously Issued Bonds” includes the outstanding:

(i) “City of Garland, Texas, Water and Sewer System Revenue Refunding and Improvement Bonds, New Series 2014,” dated June 1, 2014;

(ii) “City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2016”, dated November 15, 2016;

(iii) “City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2017”, dated May 15, 2017;

(iv) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018", dated May 15, 2018.

(t) The term "Prior Lien Bonds" includes the outstanding:

(i) "City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2009", dated May 15, 2009 (a portion of which are to be refunded by the Bonds);

(ii) "City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2010", dated April 15, 2010;

(iii) "City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2011", dated June 15, 2011;

(iv) "City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2011A", dated November 1, 2011;

(v) "City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2012," dated June 1, 2012; and

(vi) "City of Garland, Texas, Water and Sewer System Revenue Refunding and Improvement Bonds, Series 2013" dated May 1, 2013.

(u) The term "Stated Maturity" shall mean, when used with respect to any Debt or any installment of interest thereon, any date specified in the instrument evidencing or authorizing such Debt or such installment of interest as a fixed date on which the principal of such Debt or any installment thereof or the fixed date on which such installment of interest is due and payable.

(v) The term "System" shall mean the City's combined Water and Sewer System, including all present and future extensions, additions, replacements and improvements thereto.

(w) The term "Term of Issue" shall mean, with respect to any Balloon Debt, a period of time equal to the greater of (i) the period of time commencing on the date of issuance of such Balloon Debt and ending on the final maturity date of such Balloon Debt or (ii) twenty-five (25) years.

(x) The term "Variable Rate Obligations" shall mean Bonds Similarly Secured that bear interest at a rate per annum which is subject to adjustment so that the actual rate of interest is not ascertainable at the time such Bonds Similarly Secured are issued; provided, however, that upon the conversion of the rate of interest on a Variable Rate Obligation to a fixed rate of interest (whether or not the interest rate thereon is subject to conversion back to a variable rate of interest), such Bond Similarly Secured shall not be treated as a "Variable Rate Obligation" for so long as such Bond Similarly Secured bears interest at a fixed rate.

The City reserves the right to establish accounts within the Bond Fund for the payment of obligations, including specifically obligations incurred under a Credit Agreement, that is declared to be Bonds Similarly Secured in the ordinance authorizing the execution of such Credit Agreement.

SECTION 11. Pledge of Revenues. The City hereby covenants and agrees that, subject only to the prior lien on and pledge of the Net Revenues of the System to the payment and security of the Prior Lien Bonds (including the establishment and maintenance of the special funds created for the payment and security thereof) under the terms and conditions of the ordinances and proceedings pertaining to their authorization, the Net Revenues of the System, with the exception of those in excess of the amounts required for the payment and security of the Outstanding Bonds Similarly Secured, are hereby irrevocably pledged to the payment and security of the Outstanding Bonds Similarly Secured, including the maintenance of the special funds herein created in connection with the issuance of the Bonds, all as hereinafter provided, and it is hereby ordained that the Bonds Similarly Secured, and the interest thereon, shall be equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System and be valid and binding without any filing or recording except for the filing of this Ordinance in the records of the City.

Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds and the pledge of the revenues granted by the City under this Section of this Ordinance, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the revenues granted by the City under this Section of this Ordinance is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the Holders of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 12. Rates and Charges. The City hereby covenants and agrees with the Holders of the Bonds that rates and charges for water and sewer services afforded by the System will be established and maintained to provide revenues sufficient at all times to:

(a) Pay for all operation and maintenance charges of said System;

(b) Maintain the Bond Fund; and

(c) Pay all other outstanding indebtedness against said System as and when the same becomes due.

In determining the rates and charges for water and sewer services afforded by the System, the City can take into account funds transferred from any rate mitigation fund or account and applied to the items specified in (a), (b) and (c) above.

SECTION 13. Fund Designations. The City hereby covenants and agrees that all revenues derived from the operation of the System shall be kept separate and apart from all other funds of the City, and the following Funds or Accounts shall be created and established in connection with the issuance of the Bonds (to the extent such funds have not previously been created and established) and shall continue to be kept and maintained during the period of time any Bonds Similarly Secured and any Additional Bonds, if issued, are Outstanding, to wit:

(a) City of Garland, Texas Water and Sewer System Fund, hereinafter called the "System Fund," which Fund is kept and maintained at a depository bank of the City.

(b) City of Garland, Texas New Series Water and Sewer System Interest and Sinking Fund, hereinafter called the "Bond Fund," which Bond Fund is hereby declared to be the combined interest and sinking fund created for the payment of principal of and interest on any Outstanding Bonds Similarly Secured, and the same shall continue to be a single fund for the payment of principal of and interest on such Outstanding Bonds Similarly Secured. The Bond Fund shall be kept and maintained at a City depository, as custodian of the pledged revenues, and moneys deposited therein shall be used solely for the purpose of paying the principal of and interest on the Outstanding Bonds Similarly Secured when and as the same become due and payable.

It is specifically provided, however, that the City may change the custodian of the Bond Fund without impairing the obligation of contract with the Holders of the Bonds, if the new custodian for such Fund is a financial institution with trust powers. In no event shall a change of the custodian of the Bond Fund, be considered as a change in the purpose for which such Fund was created and established as provided in this Ordinance, and the City covenants that it will cause such Funds to be timely utilized for the respective purposes for which they were created.

The City reserves the right to establish and maintain additional funds and accounts in connection with payment or support of the Outstanding Bonds Similarly Secured and the money on deposit in any such fund or account on the last day of the Fiscal Year may be used for any lawful purpose related to the Outstanding Bonds Similarly Secured and any proposed obligations which would be Bonds Similarly Secured when issued, including being applied to any Net Revenue calculations associated with Additional Bonds.

SECTION 14. System Fund. The City hereby covenants and agrees that all revenues and income of every nature derived and to be derived from the operation of the System shall be deposited from day to day as collected into the System Fund, and the reasonable and proper maintenance and operation expenses of the System shall be paid therefrom. All moneys deposited therein which are not required for the payment of maintenance and operating expenses of the System shall be appropriated and used, first, to the payment of any principal, interest or reserve requirements of any Outstanding Prior Lien Bonds, second, to the payment of any principal, interest or reserve requirements of any Outstanding Bonds Similarly Secured, third, to the payment of any principal, interest or reserve requirements of any outstanding obligations payable from and secured by a lien on and pledge of the Net Revenues of the System subordinate to the lien on and pledge of the Net Revenues to any Outstanding Bonds Similarly Secured and fourth, for any purpose authorized by applicable law.

SECTION 15. Bond Fund. The following provisions shall govern the maintenance and use of the Bond Fund: the City covenants that from the funds in the System Fund, after paying or making provision for the payment of the necessary and reasonable expenses of operation and maintenance of the System, the City shall pay into the Bond Fund during each year in which any of the Bonds Similarly Secured are Outstanding, an amount equal to one hundred percent (100%) of the amount required to meet the principal and interest payments falling due on or before the next maturity date of the Outstanding Bonds Similarly Secured. An amount of moneys in the Bond Fund sufficient to pay principal and interest next coming due shall be transferred to the Paying Agent/Registrar on or before the principal or interest payment date.

SECTION 16. Deficiencies in Funds. If in any month the City shall, for any reason, fail to pay into the Bond Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Fund from the first available and unallocated Net Revenues of the System for the following month or months, and such payments shall be in addition to the amounts otherwise required to be paid into said Fund during such month or months.

SECTION 17. Excess Revenues. Any Net Revenues in excess of those required to establish and maintain the special Funds as herein required may be used for any other lawful purpose.

SECTION 18. Security of Funds. All moneys deposited 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 shall be used only for the purposes permitted by this Ordinance and the ordinances authorizing the issuance of other Bonds Similarly Secured.

SECTION 19. No Additional Obligations to be Issued on a Parity with the Prior Lien Bonds - Obligations of Inferior Lien and Pledge. The City will not hereafter issue any additional obligations with a lien on and pledge of the Net Revenues on a parity with the lien on and pledge of the Net Revenues associated with the Prior Lien Bonds or create or issue evidences of indebtedness for any purpose possessing a lien on the Net Revenues of the System superior to that to be possessed by the Bonds Similarly Secured. The City, however, retains the right to create and issue evidences of indebtedness whose lien on and pledge of the Net Revenues of the System shall be subordinate to that possessed by the Bonds Similarly Secured.

SECTION 20. Issuance of Additional Bonds. In addition to the right to issue obligations of inferior lien as authorized by the laws of the State of Texas, the City hereby reserves the right to issue additional parity obligations. The Additional Bonds, when issued, shall be payable from and secured by a lien on and pledge of the Net Revenues of the System in the same manner and to the same extent as the Outstanding Bonds Similarly Secured. The Outstanding Bonds Similarly Secured and any Additional Bonds shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments, provided, however, that none shall be issued unless and until the following conditions have been met:

(a) A certificate is executed by the Mayor and Finance Director (or other officer of the City having primary responsibility for the financial affairs of the City) to the effect that no default exists in connection with any of the covenants or requirements of the ordinances authorizing the issuance of all then Outstanding Bonds Similarly Secured;

(b) A certificate is executed by the Mayor and Finance Director (or other officer of the City having primary responsibility for the financial affairs of the City) to the effect that the Bond Fund contains the amount then required to be on deposit therein;

(c) A certificate is executed by a certified public accountant to the effect that, in his or her opinion, the Net Revenues of the System either for the last complete Fiscal Year of the City, or for any 12 consecutive calendar month period ending not more than 90 days prior to the passage of the ordinance authorizing the issuance of such Additional Bonds were, for the calculation period, at least 1.25 times the then current average annual principal and interest requirements for all then Outstanding Prior Lien Bonds and Outstanding Bonds Similarly Secured and for the installment or series of Additional Bonds then proposed to be issued and 1.00 times the maximum annual principal and interest requirements for all Outstanding Prior Lien Bonds and Outstanding Bonds Similarly Secured after giving effect to the issuance of the Additional Bonds then being issued. However, (i) should the certificate of the accountant certify that the Net Revenues of the System for the period covered thereby were less than required above, and (ii) a change in the rates and charges for water and sewer services afforded by the System became effective at least 60 days prior to the last day of the period covered by the accountant's certificate, and (iii) a Consultant will certify that, had such change in rates and charges been effective for the entire period covered by the accountant's certificate, the Net Revenues of the System covered by the accountant's certificate would have been, in his or her opinion, equal to at least 1.25 times the then current average annual and 1.00 times the maximum annual principal and interest requirements (calculated on a Fiscal Year basis) of the Prior Lien Bonds and the Bonds Similarly Secured after giving effect to the issuance of the proposed Additional Bonds, then, in such event, the coverage specified in the first sentence of this subparagraph (c) shall not be required for the period specified, and such accountant's certificate will be sufficient if accompanied by a Consultant's certificate to the above effect. For purposes of the calculation in this subparagraph (c), Net Revenues as used in this subparagraph (c), shall mean the Net Revenues of the System, but excluding and not deducting any charges or disbursements which under standard accounting practice should be charged to depreciation, betterment or capital expenditures;

(d) The Additional Bonds are scheduled to mature on March 1 or September 1, or both, and the interest thereon is scheduled to be paid on March 1 and September 1, provided, however, if the City issues Variable Rate Obligations, such Variable Rate Obligations may mature and pay interest on such date or dates provided in the ordinance authorizing the issuance of such Variable Rate Obligations; and

(e) All calculations of maximum annual debt service requirements made pursuant to this Section shall be made based upon the actual rate of interest to be borne by the Additional Bonds then proposed to be issued.

Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the City may deem to be in the best interest of the City and its inhabitants, and if fewer than all such Outstanding Bonds Similarly Secured are refunded, the proposed refunding bonds shall be considered as "Additional Bonds" under the provisions of this Section, and the certificate(s) required in subdivision (c) shall give effect to the issuance of the proposed refunding bonds (and shall not give effect to the Bonds Similarly Secured being refunded following their cancellation or provision being made for their payment).

SECTION 21. Maintenance and Operation - Insurance. The City covenants and agrees that the System shall be maintained in good condition and operated in an efficient manner and at reasonable cost. So long as any of the Bonds are Outstanding, the City agrees to maintain insurance on the System of a kind, and in an amount not less than, customarily carried by municipal corporations in the State of Texas engaged in a similar type of business. Nothing in this Ordinance shall be construed as requiring the City to expend any funds which are derived from sources other than the operation of the System, but nothing herein shall be construed as preventing the City from doing so.

SECTION 22. Records - Accounts - Accounting Reports. (a) The City hereby covenants and agrees that so long as any of the Bonds remain Outstanding, it will keep and maintain a proper and complete system of records and accounts pertaining to the operation of the System separate and apart from all other records and accounts of the City in accordance with accepted accounting principles prescribed for municipal corporations. The Owner of any Bond or any duly authorized agent or agents of such Owner, shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, and to inspect the System and all properties comprising same. The City further agrees that as soon as possible following the close of each Fiscal Year it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants or licensed public accountants.

(b) Expenses incurred in making the audits above referred to are to be regarded as maintenance and operating expenses of the System and paid as such.

SECTION 23. Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (a) defaults in payments to be made to the Bond Fund as required by this Ordinance or (b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Holder or Holders of any Bond shall be entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedies herein provided shall be cumulative of all other existing remedies and the specification of such remedies shall not be deemed to be exclusive. Notwithstanding anything in this Ordinance to the contrary, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

SECTION 24. Special Covenants. The City hereby further covenants as follows:

(a) That it has the lawful power to pledge the revenues supporting this issue of Bonds and has lawfully exercised said power under the Constitution and laws of the State of Texas, including said power existing under Texas Government Code, Chapter 1502, as amended, that the Bonds when issued, shall be ratably secured under said pledge of income in such manner that one Bond Similarly Secured shall have no preference over any other Bond Similarly Secured.

(b) That, other than for the payment of the Outstanding Prior Lien Bonds, the Outstanding Previously Issued Bonds and the Bonds herein authorized, the Net Revenues of the System are not in any manner pledged to the payment of any debt or obligation of the City or of the System, except that, on a basis subordinate to that for the Prior Lien Bonds and the Bonds Similarly Secured, Net Revenues of the System have been pledged to the City's Water and Sewer System Commercial Paper Notes, Series 2015 and the Net Revenues have also been pledged in the amount of $1,000 have been irrevocably pledged to the payment of the principal of and interest on the City's Combination Tax and Revenue Certificates of Obligation, Series 2018 (the "Certificates"), issued on June 26, 2018 and the limited pledge of Net Revenues made in the ordinance authorizing the issuance of said Certificates for the payment of the Certificates constitutes a subordinate lien on the Net Revenues until such time as the City shall pay all of such $1,000, after which time the pledge shall cease.

(c) That, as long as any of the Bonds Similarly Secured or the Prior Lien Bonds or any interest thereon remain Outstanding, the City will not sell or encumber the System or any substantial part thereof; provided that this shall not be construed to prohibit the sale of such machinery, or other properties or equipment which has become obsolete or otherwise unsuited to the efficient operation of the System; also, with the exception of the Additional Bonds expressly permitted by this Ordinance to be issued, it will not encumber the Net Revenues thereof unless such encumbrance is made subordinate to the lien on and pledge of said Net Revenues to any Prior Lien Bonds or Bonds Similarly Secured.

(d) That no free service of the System shall be allowed, and should the City or any of its agents or instrumentalities make use of the services and facilities of the System, payment of the reasonable value thereof shall be made by the City out of funds from sources other than the revenues and income of the System.

(e) At such time as there are no Outstanding Prior Lien Bonds or Bonds Similarly Secured issued prior to the issuance of the New Series 2018 Bonds, the City may sell or exchange at any time and from time to time any properties and facilities constituting the System if the City shall have received a certificate executed by the Finance Director stating that the sale or exchange of such property or facilities will not materially adversely affect the financial condition of the City or its ability to satisfy the System's rate covenants. The proceeds of any such sale or exchange shall be used by the City, at the option of the City, (i) to acquire additional System facilities; (ii) to purchase, defease, or redeem System Debt; or (iii) for any other lawful purpose. Additionally, the portion of property comprising personal property or machinery, properties, and equipment which has become obsolete or otherwise unneeded in the operation of the System may be sold or otherwise disposed in any manner deemed appropriate by the City acting through the City Manager, the Finance Director or a designee of either of such City representatives.

(f) To the extent that it legally may, the City further covenants and agrees that, so long as any of the Bonds Similarly Secured, or any interest thereon, are Outstanding, no franchise shall be granted for the installation or operation of any competing water or sewer system other than those owned by the City, and the operation of any such system by anyone other than the City is hereby prohibited.

SECTION 25. Bonds are Special Obligations. The Bonds are special obligations of the City payable from the pledged Net Revenues of the System, and the Holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 26. Bonds are Negotiable Instruments. That each of the Bonds shall be deemed and construed to be a "security," and as such a negotiable instrument, within the meaning of Texas Business and Commerce Code, Chapter 8, as amended.

SECTION 27. Investments. Moneys in the Bond Fund may at the option of the City be invested or reinvested from time to time in direct obligations of the United States of America, or other obligations permitted by the Texas Public Funds Investment Act, as amended.

SECTION 28. Payment of Bond. While any of the Bonds are Outstanding, the Mayor, the Finance Director and the City Secretary, individually or jointly, are hereby authorized to transfer or cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Bond Fund, amounts sufficient to fully pay and discharge promptly each installment of interest on and principal of the Bonds as the same accrue or mature or come due by reason of redemption prior to maturity; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds on or before the date of payment for the Bonds.

SECTION 29. Registered Owners, Notices, Waiver. The City, the Paying Agent/Registrar and any agent of either of them may treat the person in whose name any Bond is registered as the Holder of such Bond for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes whatsoever, and to the extent permitted by law, neither the City, the Paying Agent/Registrar, nor any agent of either of them shall be affected by notice to the contrary.

Wherever this Ordinance provides for notice to the Holder of a Bond of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of such Holder as it appears in the register kept by the Paying Agent/Registrar at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to the Holders of the Bonds is given by mail, neither the failure to mail such notice to any Holder of a Bond, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by any Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of the Bond shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 30. Mutilated, Destroyed, Lost, and Stolen Bonds. (a) If (i) any mutilated Bond is surrendered to the Paying Agent/Registrar or the City or the Paying Agent/Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City and the Paying Agent/Registrar such security or indemnity as may be required by the Paying Agent/Registrar to save and hold each of them harmless, then, in the absence of notice to the City or the Paying Agent/Registrar that such Bond has been acquired by a bona fide purchaser, the City shall execute and upon its request the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same stated maturity and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City, in its discretion may, instead of issuing a new Bond, pay such Bond if it has become due and payable, or may pay such Bond when it becomes due and payable.

(c) Upon the issuance of any new Bond under this Section, the City may require the payment by the Holder thereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent/Registrar) connected therewith.

(d) Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Bond shall constitute a replacement of the prior obligation of the City, whether or not the mutilated, destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

(e) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 31. Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be disposed of as directed by the City.

SECTION 32. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of the Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Bonds), other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the City Secretary of the Treasury on Form 8038-G or such other form and in such place as the City Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers (defined herein) and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the construction fund, other appropriate fund or, if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Bond Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and the rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the yield on the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager and Finance Director, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds. (1) At the time the original obligations being refunded by the Bonds were issued, the City reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three years after such obligations were issued and (2) not more than 50% of the proceeds of the original obligations being refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding. The Bonds are a current refunding of the Refunded Bonds in that the Bonds will be issued less than 90 days before the redemption of the Refunded Bonds.

SECTION 33. Sale of Bonds – Purchase Agreement Approval and Official Statement Approval. The Bonds authorized by this Ordinance are hereby sold by the City to BOK Financial Securities, Inc. (collectively, the "Purchasers") in accordance with the Bond Purchase Agreement, dated December 4, 2018, substantially in the form attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Ordinance for all purposes (the "Purchase Agreement"), and the City has determined and does determine that the terms of such Purchase Agreement are in the City's best interests. The Mayor or Mayor Pro Tem are hereby authorized and directed to execute said Purchase Agreement for and on behalf of the City and as the act and deed of the Council, and in regard to the approval and execution of the Purchase Agreement, the Council hereby finds, determines, and declares that the representations, warranties, and agreements of the City contained therein are true and correct in all material respects and shall be honored and performed by the City.

Furthermore, the use of the Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Bonds is hereby ratified, confirmed and approved in all respects. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Manager, Finance Director or City Secretary, any one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated December 4, 2018, in the reoffering, sale and delivery of the Bonds to the public. The Mayor or Mayor Pro Tem and City Secretary are further authorized and directed to cause to be delivered for and on behalf of the City copies of said Official Statement in final form as may be required by the Purchasers, and such final Official Statement shall be deemed to be approved by the Council and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 34. Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale of the Bonds, less costs of issuance **[**and additional proceeds being deposited to the Bond Fund**]**, shall be deposited with the Escrow Agent for deposit into the Escrow Fund. The balance of the proceeds of sale shall be disbursed for payment of costs of issuance in accordance with instructions from the City, and any proceeds of sale remaining after payment of the costs of issuance for the Bonds shall deposited in the Bond Fund. All surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Bond Fund.

Additionally, on or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Finance Director or other appropriate City official shall cause to be transferred in immediately available funds to the Escrow Agent from moneys on deposit in the interest and sinking fund maintained for the payment of the Refunded Bonds the sum of $______ to accomplish the refunding of the Refunded Bonds.

SECTION 35. Escrow Agreement Approval and Execution. The “Escrow Agreement” (the “Agreement”) by and between the City and Zions Bancorporation, National Association, Amegy Bank Division (the “Escrow Agent”), substantially in the form attached hereto as **Exhibit C** and incorporated herein by reference as a part of this Ordinance for all purposes, is hereby approved as to form and content, and such Agreement in substantially the form and substance attached hereto, together with such changes or revisions as may be necessary to accomplish the refunding or benefit the City, is hereby authorized to be executed by the Mayor or Mayor Pro Tem and City Secretary for and on behalf of the City and as the act and deed of this Council; and such Agreement as executed by said officials shall be deemed approved by this Council and constitute the Agreement herein approved.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of any escrowed securities referenced in the Agreement and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the “SPECIAL 2018A CITY OF GARLAND, TEXAS, WATER AND SEWER REFUNDING BOND ESCROW FUND” (the “Escrow Fund”); all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, this Ordinance and the Agreement.

SECTION 36. Redemption of Refunded Bonds.

The Refunded Bonds shall be redeemed and the same are hereby called for redemption on March 1, 2019, at the price of par and accrued interest to the date of redemption. The City Secretary is hereby authorized and directed to file a copy of this Ordinance, together with a suggested form of notice of redemption to be sent to bondholders, with Zions Bancorporation, National Association, Amegy Bank Division (successor to The Bank of New York Mellon Trust Company, N.A. and the current paying agent/registrar for the Refunded Bonds), in accordance with the redemption provisions applicable to such bonds; such suggested form of notice of redemption being attached hereto as **Exhibit D** and incorporated herein by reference as a part of this Ordinance for all purposes.

The redemption of the Refunded Bonds described above being associated with the refunding of such Refunded Bonds, the approval, authorization and arrangements herein given and provided for the redemption of such Refunded Bonds on the redemption date designated therefor and in the manner provided shall be irrevocable upon the issuance and delivery of the Bonds; and the City Secretary is hereby authorized and directed to make all arrangements necessary to notify the holders of such Refunded Bonds of the City’s decision to redeem such Refunded Bonds on the date and in the manner herein provided and in accordance with the ordinance authorizing the issuance of such Refunded Bonds and this Ordinance.

SECTION 37. Legal Opinion. The Purchasers’ obligation to accept delivery of the Bonds herein authorized is subject to their being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, Bond Counsel for the City, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion or an executed counterpart thereof shall accompany the global Bonds deposited with DTC, or a reproduction thereof may be printed on or attached to the definitive Bonds in the event the book-entry-only system shall be discontinued.

SECTION 38. CUSIP Numbers. CUSIP numbers may be printed on the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect in regard to the legality thereof and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

SECTION 39. Payment and Discharge. (a) If the City shall pay or cause to be paid or there shall otherwise be paid to the Holders of the Bonds, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of the Net Revenues of the System under this Ordinance and all covenants, agreements and other obligations of the City to the Holders of the Bonds shall thereupon cease, terminate, and become void and be discharged and satisfied.

(b) Bonds or any principal amount thereof and interest installments for which money shall have been set aside in full payment to maturity or the redemption thereof and held in trust by the Paying Agent/Registrar (through deposit by the City of funds for such payment or redemption or otherwise) shall be deemed to have been paid within the meaning and with the effect expressed above in this Section. All Outstanding Bonds shall be deemed to have been paid, prior to their stated maturity within the meaning and with the effect expressed above in this Section if there shall have been deposited with the Paying Agent/Registrar or an authorized escrow agent either money in an amount which shall be sufficient, or Government Obligations which have been certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to pay when due the principal of, premium, if any, and interest to become due on such Bonds on and prior to the stated maturity or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or any regulations or published rulings adopted pursuant thereto. Neither Government Obligations nor moneys deposited with the Paying Agent/Registrar or an escrow agent pursuant to this Section, nor principal or interest payments on any such Government Obligations, shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on the Bonds. Any cash received from such principal of and interest on such Government Obligations deposited with the Paying Agent/Registrar or such escrow agent, if not needed for such purpose, shall, to the extent practicable, be reinvested in Government Obligations (which may be non-interest bearing) maturing at times and in amounts sufficient to pay when due the principal of, premium, if any, and interest on such Bonds on and prior to the stated maturity thereof, and interest earned from such reinvestments shall be paid over to the City as received by the Paying Agent/Registrar or escrow agent, free and clear of any trust, lien or pledge. Any payment for Government Obligations purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Government Obligations.

(c) At such time as all of the Bonds are retired, or provision is made for their payment, money in the Bond Fund, if any, held for the payment of the Bonds may be used by the City for any lawful purpose, provided that any money held by the Paying Agent/Registrar which has been provided for the payment of interest or principal and not so utilized for any reason shall continue to be held by the Paying Agent/Registrar for a period of four calendar years, and if not claimed subject to the applicable escheat or similar laws, the same shall be returned to the City.

SECTION 40. Ordinance a Contract; Amendments. This Ordinance shall constitute a contract with the Holder of any Bond from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 42 hereof. The City, may, without the consent of or notice to any Holders of Bonds, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders of any Bond, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the written consent of the Holders of Bonds owning a majority in aggregate principal amount of the Bonds then Outstanding, amend, add to or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition or rescission shall (a) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor or the rate of interest thereon or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (b) give any preference to any Bond over any other Bond or (c) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition or rescission.

SECTION 41. Control and Custody of Bonds. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending the delivery of the Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 42. Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Rule*" means SEC Rule 15c2-12, as amended from time to time.

"*SEC*" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year, beginning in or after 2018, financial information and operating data with respect to the City of the general type included in Tables 1 through 13 in the Official Statement, and (2) within twelve months after the end of each fiscal year ending in or after 2018, audited financial statements of the City. Any financial statements so provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available within 12 months after the end of any fiscal year, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited financial statements become available.

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 available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

(1) Principal and interest payment delinquencies;
(2) Non-payment related defaults, if material;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties;
(4) Unscheduled draws on credit enhancements reflecting financial difficulties;
(5) Substitution of credit or liquidity providers, or their failure to perform;
(6) 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;
(7) Modifications to rights of holders of the Bonds, if material;
(8) Bond calls, if material, and tender offers;
(9) Defeasances;
(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
(11) Rating changes;
(12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(14) 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 subsection (c)(12) 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 or business of the City.

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 subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) of this Section of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, 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 Section 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 Section 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 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND 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 SECTION, 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.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

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

Notwithstanding anything herein to the contrary, the provisions of this Section 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 Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds 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 Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds 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 Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section 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.

SECTION 43. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 44. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 45. Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 46. Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 47. Incorporation of Findings and Determinations. The findings and determinations of this Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 48. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 49. Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Finance Director and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Bonds. In addition, prior to the delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Finance Director or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in this Ordinance or such other document, or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 50. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 51. Effective Date. This Ordinance shall take effect and be in full force from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

[Remainder of page left blank intentionally]

PASSED AND ADOPTED this December 4, 2018.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B

PURCHASE AGREEMENT

EXHIBIT C

ESCROW AGREEMENT

EXHIBIT D

NOTICE OF REDEMPTION

CITY OF GARLAND, TEXAS,
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2009
Dated May 15, 2009

NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on and after March 1, 2020, and aggregating in the principal amount of $10,530,000, have been called for redemption on March 1, 2019 at the redemption price of par and accrued interest to the date of redemption, such bonds being identified as follows:

Year of Maturity	Principal Amount ($)	CUSIP Number
2020	930,000	
2021	970,000	
2022	1,005,000	
2023	1,050,000	
2024	1,090,000	
2025	1,000,000	
2026	1,045,000	
2027	1,095,000	
2028	1,145,000	
2029	1,200,000	

ALL SUCH BONDS shall become due and payable on March 1, 2019, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners of the bonds only upon presentation and surrender thereof to Zions Bancorporation, National Association, Amegy Bank Division (successor paying agent/registrar to The Bank of New York Mellon Trust Company, N.A.) at its designated offices at the following address: One South Main Street, 17th Floor, Salt Lake City, UT 84133.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to an ordinance by the City Council of the City of Garland, Texas.

Zions Bancorporation, National Association,
Amegy Bank Division
1801 Main Street, Suite 850
Houston, Texas 77002

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **5.**

Meeting Date: 12/04/2018

Item Title: Bond Refunding - General Obligation

Submitted By: Matt Watson, Finance Director

Summary of Request/Problem

At the November 5, 2018 Work Session, Council considered authorizing the refunding of approximately $13.7 million of Combination Tax and Revenue Certificates of Obligation, Series 2009 and approximately $38.2 million of General Obligation Refunding Bonds, Series 2011A and Series 2011B with General Obligation Refunding Bonds. The purpose of this transaction is to refund existing Certificates of Obligation and existing General Obligation bonds with new General Obligation fixed rate bonds to reduce debt service.

Recommendation/Action Requested and Justification

Approve the sale of General Obligation Refunding Bonds, Series 2018.

Attachments

Draft Ordinance

ORDINANCE NO. ____

AN ORDINANCE authorizing the issuance of "CITY OF GARLAND, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2018"; specifying the terms and features of said bonds; levying a continuing direct annual ad valorem tax for the payment of said bonds; providing for the redemption of certain outstanding obligations of the City; and resolving other matters incident and related to the issuance, sale, payment and delivery of said bonds, including the approval and execution of a Paying Agent/Registrar Agreement, a Purchase Agreement and an Escrow Agreement and the approval and distribution of a Preliminary Official Statement and an Official Statement; and providing an effective date.

WHEREAS, the City Council (the "Council") of the City of Garland, Texas (the "City") has heretofore issued, sold, and delivered, and there is currently outstanding obligations of the following issues or series (hereinafter collectively referred to as the "Refunded Obligations"):

a. "City of Garland, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2009," dated May 15, 2009, scheduled to mature on February 15 in each of the years 2020 through 2029, inclusive, and aggregating in the principal amount of $13,685,000 (the "Series 2009 Refunded Certificates");

b. "City of Garland, Texas, General Obligation Refunding Bonds, Series 2011A," dated November 1, 2011, scheduled to mature on February 15 in each of the years 2020 through 2024, inclusive, and aggregating in the principal amount of $5,705,000 (the "Series 2011A Refunded Bonds"); and

c. "City of Garland, Texas, General Obligation Refunding Bonds, Series 2011B," dated November 1, 2011, scheduled to mature on February 15 in each of the years 2020 through 2028, inclusive, and aggregating in the principal amount of $32,450,000 (the "Series 2011B Refunded Bonds");

WHEREAS, pursuant to the provisions of Texas Government Code, Chapter 1207, as amended, the Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with the place of payment for the Refunded Obligations, or other authorized depository, and such deposit, when made in accordance with said statute, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, the Council hereby finds and determines that the Refunded Obligations should be refunded at this time, and such refunding will result in the City saving approximately $______________ in debt service payments on such indebtedness and further provide a net present value savings of approximately $___________; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GARLAND:

SECTION 1: Authorization - Designation - Principal Amount - Purpose. General obligation bonds of the City shall be and are hereby authorized to be issued in the aggregate principal amount of $________ to be designated and bear the title "CITY OF GARLAND, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2018" (hereinafter referred to as the "Bonds"), for the purpose of providing funds for the discharge and final payment of certain outstanding obligations of the City (identified in the preamble hereof and referred to as the

"Refunded Obligations") and to pay costs of issuance, in accordance with the Constitution and laws of the State of Texas, including Texas Government Code, Chapter 1207, as amended.

SECTION 2: Fully Registered Obligations - Bond Date - Authorized Denominations-Stated Maturities - Interest Rates. The Bonds shall be issued as fully registered obligations only, shall be dated December 1, 2018 (the "Bond Date"), shall be in denominations of $5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on each of the dates and in the principal amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the following schedule:

Stated Maturity	Principal Amount ($)	Interest Rate (%)
August 15, 2019		
February 15, 2020		
February 15, 2021		
February 15, 2022		
February 15, 2023		
February 15, 2024		
February 15, 2025		
February 15, 2026		
February 15, 2027		
February 15, 2028		
February 15, 2029		

The Bonds shall bear interest on the unpaid principal amounts from the date of initial delivery of the Bonds at the rate(s) per annum shown above in this Section (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on August 15 and February 15 in each year, commencing August 15, 2019, until maturity or prior redemption.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor or Mayor Pro Tem and City Secretary are authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the

Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by first class United States mail, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds, shall be payable at the Stated Maturities thereof only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices, initially in Salt Lake City, Utah, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent by first class United States mail, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar 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 when 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.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (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 (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by first class United States mail, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

(a) Optional Redemption. The City reserves the right and option to redeem the Bonds maturing on February 15, 2029, in whole or in part, before their scheduled maturity date, on February 15, 2028, or on any date thereafter at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest from the most recent interest payment date on which interest has been paid or duly provided for to the date fixed for redemption.

At least forty-five (45) days prior to an optional redemption date for the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Bonds, the principal amount of each Stated Maturity to be optionally redeemed, and the date of redemption therefor. The decision of the City to exercise the right to optionally redeem Bonds shall be entered in the minutes of the governing body of the City.

(b) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall treat such Bonds as representing the number of Bonds Outstanding, which is obtained by dividing the principal amount of such Bonds by $5,000, and shall select the Bonds to be redeemed within such Stated Maturity by lot.

(c) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given as hereinabove provided, such Bond (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys sufficient for the payment of such Bond (or of the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

SECTION 5: Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with the provisions of an agreement with the Paying Agent/Registrar and such rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bond(s) referenced in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) referenced in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class, postage prepaid to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 11 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 3, 4 and 5 hereof relating to the payment, and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representations, by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of

DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3, 4 and 5 hereof.

SECTION 7: Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of the individuals shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Texas Government Code, Chapter 1201, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the aggregate principal amount stated in Section 1 hereof with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bond(s) submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

(a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and 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 insurance legends in the event the Bonds, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bond.

REGISTERED	REGISTERED
NO. ___	$___________

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF GARLAND, TEXAS
GENERAL OBLIGATION REFUNDING BOND
SERIES 2018

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP No.:
December 1, 2018	_______%	______ 15, 20__	__________

Registered Owner:

Principal Amount:

The City of Garland (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Dallas, Collin and Rockwall, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof (the "Registered Owner"), on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the date of initial delivery of the Bonds) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing August 15, 2019, until maturity or prior redemption. Principal of this Bond shall be payable at its Stated Maturity to the Registered Owner hereof upon presentation and surrender at the designated offices of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by first class United States mail, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar 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 when 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. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of $______ (herein referred to as the "Bonds") for the purpose of providing funds for the discharge and final payment of the Refunded Obligations (identified and defined in the Ordinance hereinafter referenced), and to pay costs of issuance, under and in strict conformity with the Constitution and laws of the State of Texas and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Bonds maturing on February 15, 2029, may be redeemed prior to their Stated Maturity, at the option of the City, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 2028, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of each Bond to be redeemed at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within 45 days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at its maturity, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal hereof at its Stated Maturity, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (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 (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by first class United States mail, postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforestated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City as of the Bond Date.

CITY OF GARLAND, TEXAS

____
Mayor

COUNTERSIGNED:

____
City Secretary

(City Seal)

(c) <u>Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only</u>.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER)
OF PUBLIC ACCOUNTS) REGISTER NO. ______________
THE STATE OF TEXAS)

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this ___________________________.

____
Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar in Salt Lake City, Utah is the "Designated Payment/Transfer Office" for this Bond.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, Houston, Texas,
as Paying Agent/Registrar

Registration date:

____

By: ______________________________
Authorized Signature
Amegy Bank Division

(e) Form of Assignment.

ASSIGNMENT

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

____

(Social Security or other identifying number ______________________________) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

____

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED:

____

Signature guaranteed:

____

____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this Section, except that the form of the single fully registered Initial Bond shall be modified as follows:

Heading and first paragraph shall read as follows:

REGISTERED
NO. T-1

REGISTERED
$__________

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF GARLAND, TEXAS

GENERAL OBLIGATION REFUNDING BOND
SERIES 2018

Bond Date: December 1, 2018

Registered Owner: CITIGROUP GLOBAL MARKETS INC.

Principal Amount: ______ MILLION _________ THOUSAND DOLLARS

The City of Garland (hereinafter referred to as the "City"), a body corporate and municipal corporation in the Counties of Dallas, Collin and Rockwall, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof (the "Registered Owner"), the Principal Amount hereinabove stated on the Stated Maturity dates and in the principal installments in accordance with the following schedule:

STATED MATURITY	PRINCIPAL INSTALLMENTS ($)	INTEREST RATES (%)

(Information to be inserted from schedule in Section 2 hereof)

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the date of initial delivery of the Bonds at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing August 15, 2019, until maturity or prior redemption. Principal installments of this Bond are payable on the Stated Maturity dates to the registered owner hereof by Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas (the "Paying Agent/Registrar"), upon its presentation and surrender at its designated offices, initially in Salt Lake City, Utah, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by first class United States mail, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar 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 when 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. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their payment at maturity or redemption or a sinking fund of 2% (whichever amount is the greater), there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the

Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; separate books and records relating to the receipt and disbursement of taxes levied, assessed and collected for and on account of the Bonds shall be kept and maintained by the City at all times while the Bonds are Outstanding, and the taxes collected for the payment of the Debt Service Requirements on the Bonds shall be deposited to the credit of a "Special 2018 Bond Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

The Mayor, Mayor Pro Tem, City Manager, City Secretary and Finance Director of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

The City has sufficient current funds available and such funds are hereby appropriated to make the payments to become due on the Bonds on August 15, 2019, and the Mayor, Mayor Pro Tem, City Manager, Finance Director and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such amount of current funds which will be sufficient to pay the amounts to become due on the Bonds on August 15, 2019.

SECTION 11: Mutilated - Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 12: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

The term "Government Securities", as used herein, shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iv) any other then authorized securities or obligations that may be used to defease obligations such as the Bonds under the then applicable laws of the State of Texas.

SECTION 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 28 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of

Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14: Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Obligations), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Obligations), other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of its general fund, other appropriate fund, or, if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other

forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager and Finance Director, either or any combination of them, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds. (1) At the time the original obligations being refunded by the Bonds were issued, the City reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three years after such obligations were issued and (2) not more than 50% of the proceeds of the original obligations being refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding of the Refunded Obligations. The Bonds are a current refunding of the Refunded Obligations in that the Refunded Obligations are to be paid and redeemed in full within 90 days of the delivery date of the Bonds.

SECTION 15: Sale of Bonds – Purchase Agreement Approval - Official Statement Approval. The Bonds authorized by this Ordinance are hereby sold by the City to Citigroup Global Markets Inc. and Frost Bank (collectively, the "Purchasers") in accordance with the Purchase Agreement, dated December 4, 2018, substantially in the form attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Ordinance for all purposes (the "Purchase Agreement"), and the City has determined and does determine that the terms of such Purchase Agreement are in the City's best interests. The Mayor or Mayor Pro Tem are hereby authorized and directed to execute said Purchase Agreement for and on behalf of the City and as the act and deed of the Council, and in regard to the approval and execution of the Purchase Agreement, the Council hereby finds, determines, and declares that the representations, warranties, and agreements of the City contained therein are true and correct in all material respects and shall be honored and performed by the City.

Furthermore, the use of the Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Bonds is hereby ratified, confirmed and approved in all respects. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, Mayor Pro Tem, City Manager, Finance Director or City Secretary, any one or more of said officials), shall be and is hereby in all respects approved and the Purchasers are hereby authorized to use and distribute said final Official Statement, dated December 4, 2018, in the reoffering, sale and delivery of the Bonds to the public. The Mayor or Mayor Pro Tem and City Secretary are further authorized and directed to cause to be delivered for and on behalf of the City copies of said Official Statement in final form as may be required by the Purchasers, and such final Official Statement shall be deemed to be approved by the Council and constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 16: Control and Custody of Bonds. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

SECTION 17: Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance **[**and additional proceeds being deposited to the Interest and Sinking Fund**]**) shall be deposited with the Escrow Agent (defined in Section 18 hereof) for the refunding of the Refunded Obligations.. The balance of the proceeds of sale of the Bonds shall be disbursed for payment of costs of issuance or deposited in the Interest and Sinking Fund for the Bonds.

Additionally, on or immediately prior to the date of the delivery of the Bonds, the Finance Director or other appropriate City official shall cause to be transferred in immediately available funds to the Escrow Agent from moneys on deposit in the interest and sinking fund maintained for the payment of the Refunded Obligations the sum of $________ to accomplish the refunding of the Refunded Obligations.

SECTION 18: Escrow Agreement Approval and Execution; Redemption of Refunded Obligations.

The Escrow Agreement (the "Escrow Agreement") by and between the City and Zions Bancorporation, National Association, Amegy Bank Division (the "Escrow Agent"), substantially in the form attached hereto as **Exhibit C** and incorporated herein by reference as a part of this Ordinance for all purposes, is hereby approved as to form and content, and such Escrow Agreement in substantially the form and substance attached hereto, together with such changes or revisions as may be necessary to accomplish the refunding or benefit the City, is hereby authorized to be executed by the Mayor and City Secretary for and on behalf of the City and as the act and deed of this City Council; and such Escrow Agreement as executed by said officials shall be deemed approved by the City Council and constitute the Escrow Agreement herein approved.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements on the day of delivery of the Bonds to the Underwriters for the purchase of any federal securities referenced in the Escrow Agreement and the delivery thereof to the Escrow Agent and for deposit of certain proceeds of sale of the Bonds and any federal securities to the credit of the "SPECIAL 2018 CITY OF GARLAND, TEXAS, GENERAL OBLIGATION REFUNDING BOND ESCROW FUND" (the "Escrow Fund"), including the execution of subscription forms for the purchase and issuance of any "United States Treasury Securities State and Local Government Series"; all as contemplated and provided in Texas Government Code, Chapter 1207, as amended, this Ordinance and the Escrow Agreement.

The Refunded Obligations shall be redeemed and the same are hereby called for redemption on February 15, 2019, at the price of par and accrued interest to the date of redemption. The City Secretary is hereby authorized and directed to file a copy of this Ordinance, together with a suggested form of notice of redemption to be sent to holders of the Refunded Obligations, with Zions Bancorporation, National Association, Amegy Bank Division (successor to The Bank of New York Mellon Trust Company, N.A. and the current paying agent/registrar for the Refunded Obligations), in accordance with the redemption provisions applicable to such obligations; such suggested forms of notices of redemption being attached hereto as **Exhibit D, Exhibit E** and **Exhibit F** and incorporated herein by reference as a part of this Ordinance for all purposes.

The redemption of the Refunded Obligations described above being associated with the refunding of such Refunded Obligations, the approval, authorization and arrangements herein given and provided for the redemption of such Refunded Obligations on the redemption date designated therefor and in the manner provided shall be irrevocable upon the issuance and delivery of the Bonds; and the City Secretary is hereby authorized and directed to make all arrangements necessary to notify the holders of such Refunded Obligations of the City's decision to redeem such Refunded Obligations on the date and in the manner herein provided and in accordance with the ordinances authorizing the issuance of such Refunded Obligations and this Ordinance.

SECTION 19: Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by first class United States mail, postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 20: Cancellation. All Bonds surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 21: Legal Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final legal opinion of Norton Rose Fulbright US LLP, Bond Counsel to the City, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall accompany the global Bonds deposited with DTC.

SECTION 22: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 23: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 24: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 25: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 26: Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 27: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 28: Continuing Disclosure Undertaking.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Rule*" means SEC Rule 15c2-12, as amended from time to time.

"*SEC*" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year, beginning in or after 2018, financial information and operating data with respect to the City of the general type included in Tables 1 through 5 and 7 through 14 in the Official Statement, and (2) within twelve months after the end of each fiscal year ending in or after 2018, audited financial statements of the City. Any financial statements so provided shall be prepared in accordance with the accounting principles described in Appendix B to the Official Statement, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available within 12 months after the end of any fiscal year, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited financial statements become available.

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 available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. 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;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. 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 subsection (c)12 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 or business of the City.

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 subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, 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 Section 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 Section 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 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND 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 SECTION, 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.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

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

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting 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 Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds 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 Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds 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 Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent an underwriter of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section 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.

SECTION 29: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 30: Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Finance Director and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance, sale and delivery of the Bonds. In addition, prior to the delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Finance Director or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect, or omission in this Ordinance or such other document, or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 31: Incorporation of Findings and Determinations. The findings and determinations of this Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 32: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 33: Effective Date. In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

[Remainder of page left blank intentionally]

PASSED AND ADOPTED, December 4, 2018.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B

PURCHASE AGREEMENT

EXHIBIT C

ESCROW AGREEMENT

EXHIBIT D

CITY OF GARLAND, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2009
Dated May 15, 2009

NOTICE IS HEREBY GIVEN that the certificates of obligation of the above series maturing on and after February 15, 2020, and aggregating in the principal amount of $13,685,000, have been called for redemption on February 15, 2019 at the redemption price of par and accrued interest to the date of redemption, such certificates being identified as follows:

Year of Maturity	Principal Amount ($)	CUSIP Number
2020	1,105,000	
2021	1,150,000	
2022	1,195,000	
2023	1,250,000	
2024	1,315,000	
2025	1,385,000	
2026	1,455,000	
2027	1,530,000	
2028	1,610,000	
2029	1,690,000	

ALL SUCH CERTIFICATES shall become due and payable on February 15, 2019, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said certificates shall be paid to the registered owners of the certificates only upon presentation and surrender thereof to Zions Bancorporation, National Association, Amegy Bank Division (successor paying agent/registrar to The Bank of New York Mellon Trust Company, N.A.) at its designated offices at the following address: One South Main Street, 17th Floor, Salt Lake City, UT 84133.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said certificates and pursuant to an ordinance by the City Council of the City of Garland, Texas.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
Amegy Bank Division
1801 Main Street, Suite 850
Houston, Texas 77002

EXHIBIT E

NOTICE OF REDEMPTION

CITY OF GARLAND, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2011A
Dated November 1, 2011

NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on and after February 15, 2020, and aggregating in the principal amount of $5,705,000, have been called for redemption on February 15, 2019 at the redemption price of par and accrued interest to the date of redemption, such bonds being identified as follows:

Year of Maturity	Principal Amount ($)	CUSIP Number
2020	1,245,000	
2021	1,295,000	
2022	1,340,000	
2023	1,380,000	
2024	445,000	

ALL SUCH BONDS shall become due and payable on February 15, 2019, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners of the bonds only upon presentation and surrender thereof to Zions Bancorporation, National Association, Amegy Bank Division (successor paying agent/registrar to The Bank of New York Mellon Trust Company, N.A.) at its designated offices at the following address: One South Main Street, 17th Floor, Salt Lake City, UT 84133.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to an ordinance by the City Council of the City of Garland, Texas.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
Amegy Bank Division
1801 Main Street, Suite 850
Houston, Texas 77002

EXHIBIT F

NOTICE OF REDEMPTION

CITY OF GARLAND, TEXAS
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2011B
Dated November 1, 2011

NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on and after February 15, 2020, and aggregating in the principal amount of $32,450,000, have been called for redemption on February 15, 2019 at the redemption price of par and accrued interest to the date of redemption, such bonds being identified as follows:

Year of Maturity	Principal Amount ($)	CUSIP Number
2020	2,990,000	
2021	3,110,000	
2022	3,240,000	
2023	3,385,000	
2024	3,560,000	
2025	3,745,000	
2026	3,935,000	
2027	4,135,000	
2028	4,350,000	

ALL SUCH BONDS shall become due and payable on February 15, 2019, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said bonds shall be paid to the registered owners of the bonds only upon presentation and surrender thereof to Zions Bancorporation, National Association, Amegy Bank Division (successor paying agent/registrar to The Bank of New York Mellon Trust Company, N.A.) at its designated offices at the following address: One South Main Street, 17th Floor, Salt Lake City, UT 84133.

THIS NOTICE is issued and given pursuant to the terms and conditions prescribed for the redemption of said bonds and pursuant to an ordinance by the City Council of the City of Garland, Texas.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
Amegy Bank Division
1801 Main Street, Suite 850
Houston, Texas 77002

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **6.**

Meeting Date: 12/04/2018

Item Title: Consider by minute action the approval of the conveyance of real property to the Garland Foundation for Development

Summary of Request/Problem

This request is to approve the conveyance of real property located at the former Hypermart site (3195 S. Garland Road) to the Garland Foundation for Development, Inc. and authorize the Mayor to execute a deed and any other ancillary documents necessary to effectuate the transaction.

Recommendation/Action Requested and Justification

Consider by minute action the approval of the conveyance of real property to the Garland Foundation for Development.

Attachments

Hypermart SWD City to Foundation

Purchase Agreement Hypermart City to Foundation

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

<u>SPECIAL WARRANTY DEED</u>

STATE OF TEXAS	**§**	
	§	**KNOW ALL BY THESE PRESENTS:**
COUNTY OF DALLAS	**§**	

That the **City of Garland, Texas, a Texas home-rule municipality** ("Grantor"), for and in consideration of Ten and No/100 Dollars ($10.00) and other good and valuable consideration to Grantor, the receipt and sufficiency of which is hereby acknowledged, paid in hand by **the Garland Foundation for Development, Inc.,** a Texas local government corporation ("Grantee"), has **GRANTED, SOLD AND CONVEYED**, and by these presents does **GRANT, SELL AND CONVEY** unto Grantee all of Grantor's interests, of any kind, to those certain lots, tracts, or parcels of land situated in the County of Dallas, State of Texas, to wit:

> TRACT 1: Lot 12R, Bock 1 of WAL-MART SUPER CENTER 2 ADDITION, an addition to the City of Garland, Dallas County, Texas, according to the plat map thereof recorded in Volume 87242, Page 5919, Map Records, Dallas County, Texas.
>
> TRACT 2: Non-exclusive Easement Estate as created by instrument dated September 3, 1992, filed September 8, 1992, recorded in Volume 92175, Page 6100, refiled in Volume 92209, Page 387, Real Property Records, Dallas County, Texas, executed by Wal-Mart Stores, Inc., a Delaware corporation and Pizza Hut of America, Inc., a Delaware corporation.
>
> TRACT 3: Non-exclusive Easement Estate created by instrument dated February 15, 1999, filed May 8, 2000, recorded in Volume 2000090, Page 6455, Real Property Records, Dallas County, Texas, executed by Garland Texas Associates, a New York general partnership and Galardi Group Franchising and Leasing, Inc., a California corporation and Wal-Mart Real Estate Business Trust, a Delaware business Trust.
>
> Together with, all and singular, all improvements thereon and all rights and appurtenances pertaining thereto, subject to the terms and conditions of this Contract, including any right and interest of Seller in and to adjacent streets, alleys, or rights-of-way, such real estate, improvements, rights and appurtenances (collectively, "Property").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto and in anywise belonging unto Grantee, its successors and assigns forever; and Grantor binds Grantor and Grantor's heirs and successors to **WARRANT AND FOREVER DEFEND** all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise.

This conveyance is expressly subject to the following conditions and restrictions:

(1) **Use of Property**. No lot or portion of the Property shall be owned, held, leased, transferred, sold, mortgaged, or conveyed for any use other than the development of the Property for commercial, retail, entertainment purposes, or any other use expressly allowed under an economic development agreement with the City of Garland, Texas.

(2) **Conveyance**. The Property may not be conveyed to a third-party unless the future purchaser first enters into a development agreement with the City of Garland, Texas, expressly describing and defining the allowed uses of the Property.

EXECUTED on the dates set forth in the acknowledgements below, to be EFFECTIVE on the ______day of ______________________ 20___.

GRANTOR:

The City of Garland, Texas,
a Texas home-rule municipality

By:_________________________________

Name: Lori Barnett Dodson

Title: Mayor

[Acknowledgment on following page]

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me on the _____ day of ____________, 2018 by, Lori Barnett Dodson, in her capacity as Mayor for the City of Garland, Texas.

____
NOTARY PUBLIC, STATE OF TEXAS

____
PRINTED NAME OF NOTARY

MY COMMISSION EXPIRES:

____

Grantee's Address:
Garland Foundation for Development
PO Box 469002
Garland, TX 75046

REAL PROPERTY PURCHASE & DEVELOPMENT AGREEMENT

This Purchase and Development Agreement ("Contract") is made and entered into by and between **the City of Garland, Texas,** a home-rule municipality ("Seller" or "City") and **Garland Foundation for Development**, **Inc**., a Texas local government corporation ("Buyer").

W I T N E S S E T H:

For and in consideration of the respective undertakings and agreements of Seller and Buyer set forth herein, the sufficiency of which are hereby mutually acknowledged, Seller and Buyer hereby agree as follows:

1. Property. Seller hereby agrees to sell and convey and Buyer hereby agrees to purchase and take from Seller, upon and subject to all of the terms and conditions set forth hereinafter all of that property located in Dallas County, City of Garland, Texas and more particularly described as,

TRACT 1: Lot 12R, Bock 1 of WAL-MART SUPER CENTER 2 ADDITION, an addition to the City of Garland, Dallas County, Texas, according to the plat map thereof recorded in Volume 87242, Page 5919, Map Records, Dallas County, Texas.

TRACT 2: Non-exclusive Easement Estate as created by instrument dated September 3, 1992, filed September 8, 1992, recorded in Volume 92175, Page 6100, refiled in Volume 92209, Page 387, Real Property Records, Dallas County, Texas, executed by Wal-Mart Stores, Inc., a Delaware corporation and Pizza Hut of America, Inc., a Delaware corporation.

TRACT 3: Non-exclusive Easement Estate created by instrument dated February 15, 1999, filed May 8, 2000, recorded in Volume 2000090, Page 6455, Real Property Records, Dallas County, Texas, executed by Garland Texas Associates, a New York general partnership and Galardi Group Franchising and Leasing, Inc., a California corporation and Wal-Mart Real Estate Business Trust, a Delaware business Trust.

(collectively, "Land")

2. <u>Purchase Price</u>. The total consideration for the sale of the Land shall be $<u>6,000,000.00 </u>(the "<u>Purchase Price</u>"), all of such Purchase Price to be paid at closing on the closing date (same day funds).

3. <u>Property Restriction</u>. Seller and Buyer agree and acknowledge that the Land is being conveyed by Seller without competitive bids pursuant to Tex. Loc. Gov't Code 272.001(b)(4). Buyer agrees to serve as an independent foundation to have the Land developed as follows:

(A) Buyer agrees that subsequent to this transaction, the Land is to be sold to a third-party developer pursuant to an economic development agreement ("<u>Developer</u>") between the City of Garland, Texas and Developer for commercial, retail, or entertainment purposes, or any other use expressly allowed under the economic development agreement ("<u>Project</u>").

(B) Buyer agrees that the Land shall be conveyed to the Developer, subject to the Restriction Agreement attached hereto as <u>Exhibit A</u>

4. <u>Seller's Representations and Warranties</u>. Seller represents and warrants to Buyer (which representations and warranties shall survive closing) that:

(A) Seller is conveying to Buyer all of its interest to and in the Land.

(B) There is no action, suit or proceeding pending or, to Seller's actual knowledge, threatened against or affecting the Land or any portion thereof or relating to or arising out of the ownership or use of the Land or any portion thereof in any court or before any administrative body or governmental authority.

(C) There are no adverse or other parties in possession of the Land.

(D) Neither the entering into of this Contract nor the consummation of the transaction contemplated hereby will constitute a violation or breach by Seller of (i) any contract or other instrument to which Seller is a party, or to which Seller is subject or by which any of Seller's assets or properties may be affected, or (ii) any judgment, order, writ, injunction or decree issued against or imposed upon Seller, nor result in a violation of any applicable law, order, rule or regulation of any governmental authority affecting Seller.

(E) Seller is not a "foreign person" as such term is used in Section 1445 of the Internal Revenue Code.

(F) To the best of Seller's knowledge: (1) the Land does not presently contain any Hazardous Materials (as defined below) in an amount, condition, location, manner of storage, degree or concentration in violation of any Environmental Laws (as defined below); (2) neither the Land nor Seller are currently in violation of or subject to any existing, pending or threatened investigation or inquiry by any governmental authority or any remedial obligations under any Environmental Laws; (3) Seller is not aware of any condition that could create liability to any party, public or private, of any environmental nature relating to the Land or due to the presence of any Hazardous Material on the Land; (4) Seller is in compliance with all applicable Environmental Laws with respect to the Land; (5) Seller is not aware of any release, spill, leak, discharge, disposal of, pumping, pouring, emitting, emptying, injecting, leaching, dumping or escape into or through the environment of any Hazardous Materials at, on, to or from the Land that is or could be a violation of any Environmental Law. In this Contract, the term "Environmental Laws" includes, but is not limited to, (a) with respect to federal law, CERCLA, the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 *et seq.*), the Clean Air Act (42 U.S.C. §§ 7401 *et seq.*), the Toxic Substances Control Act (15 U.S.C. §§ 2601 *et seq.*), the Oil Pollution Act (33 U.S.C. §§ 2701 *et seq.*), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. §§ 651 *et seq.*), the Safe Drinking Water Act (42 U.S.C. § 300f *et. seq.),* the Surface Mine Conservation and Reclamation Act (30 U.S.C. §§ 1251-1279), and regulations adopted pursuant thereto, and counterpart state and local laws, regulations adopted pursuant thereto; and (b) with respect to Texas law the Solid Waste Disposal Act (TEX. HEALTH & SAFETY CODE, Chap. 361 *et. seq*.), the Texas Clean Air Act (TEX. HEALTH & SAFETY CODE, Chap. 382 et. seq.), the Texas Water Code (TEXAS WATER CODE, Chap. 1 *et. seq*.) and the regulations promulgated pursuant thereto. The term "Hazardous Materials" shall mean any hazardous, toxic or dangerous waste, substance, contaminant or material defined as such in any of the foregoing statutes and also includes lead-based paint, asbestos, radioactive materials, urea formaldehyde insulation or other substance considered to be hazardous by a reasonably prudent purchaser of real property.

(G) This Contract constitutes the legal, valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, and Seller has full power and authority to execute and deliver this Contract and to consummate the transactions contemplated hereby. The execution and delivery of this Contract and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate, partnership, trust or other action required on the part of Seller and this Contract has been duly and validly executed and delivered by Seller.

5. Conditions Precedent to Buyer's Obligation. The following matters shall constitute absolute conditions precedent to Buyer's obligation to purchase the Land:

(A) Seller's representations and warranties shall be true and correct as of the closing date.

(B) The Land is in the same or similar condition as it was when this Contract was fully executed.

(C) Title to the Land shall remain as initially approved by Buyer in the Title Binder and on the Survey as set forth in the provisions of this Contract such that good and indefeasible title shall be conveyed to Buyer at closing.

In the event that the conditions set forth above are not satisfied at closing, then Buyer may either obtain a refund of all Earnest Money plus accrued interest thereon following which neither party shall thereafter have any further liability to the other hereunder, or Buyer may waive in writing the nonfulfillment of such condition and purchase the Land pursuant to the terms and provisions hereof without any reduction in the Purchase Price.

6. <u>Feasibility Period; Remediation of Hazardous Wastes</u>.

(A) Buyer shall have the right for a period of fifteen calendar days (the "Feasibility Period") after the effective date (as provided below) of this Contract to enter onto the Land and to have full access the Land for the purpose of conducting such inspections, investigations, studies and tests as Buyer may deem fit. On or before the commencement of the Feasibility Period, Seller shall furnish Buyer with a copy of any hazardous waste reports or other environmental assessments, audits or test results obtained by Seller relative to any portion of the Land. In the event that Buyer determines, in its sole discretion, based upon its inspections, investigations, studies or tests, that the Land is not satisfactory for Buyer's purposes or is not suitable for Buyer's intended use, then Buyer shall deliver written notice of such determination to Seller on or before the expiration of the Feasibility Period. In the event of such termination, and provided that Buyer is not otherwise in default of any provision of this Contract, all Earnest Money together with any accrued interest shall be returned to Buyer by the Title Company, and thereafter this Contract shall terminate and neither party shall have any further obligation or liability to the other under this Contract.

(B) If Buyer's inspections, investigations, studies or tests disclose the existence of any Hazardous Materials in, on or under the Land, then Buyer may either:

(1) Terminate this Contract (in which event the Earnest Money together with any accrued interest shall be paid or returned Buyer and thereafter this Contract shall terminate and neither party shall have any further obligation or liability to the other under this Contract); or

(2) Waive, in writing, its objections to the existence of Hazardous Materials and proceed to closing without adjustment of the Purchase Price.

7. <u>Closing</u>.

(A) The closing of the purchase and sale of the Land shall take place on or before 30 days after the full execution of this Contract, unless extended by written agreement or necessitated by unplanned circumstances. The closing shall take place at **200 North 5th Street, Office of the City Attorney, Garland, Texas 75040**, or at such other place as the parties may mutually agree.

(B) At the closing, Seller shall deliver to Buyer:

(1) One or more special warranty deeds conveying title to the Land to Buyer, its successors and assigns, duly executed and acknowledged by Seller;

(2) All such other instruments of assignment, transfer or conveyance as shall, in the reasonable opinion of Buyer and its counsel, be necessary to transfer to Buyer the Land in accordance with this Contract and where necessary or desirable in recordable form.

At the closing, Buyer shall pay the Purchase Price subject, however, to the adjustments and prorations provided herein. Exclusive possession of the Land shall be delivered to Buyer in accordance with the terms hereof on the date of closing.

8. Closing Adjustments and Prorations.

(A) Real Estate Taxes. Real estate taxes and assessments, if any, for the calendar year of closing shall be prorated between Seller and Buyer as of the date of closing, taking into consideration that Buyer and Seller are tax-exempt entities. If the amount of such taxes for the year of closing is not yet available, the proration shall be based upon the amount of such taxes for the previous year.

(B) Recording Fees. Seller shall pay all recording fees and any similar fees or assessments imposed by state or local law and payable in respect of the sale or transfer of the Land.

(C) Survey. Seller shall pay for the cost of the Survey.

9. Remedies. If Seller shall have fully complied with all covenants, conditions and matters hereunder by Seller to be performed or Buyer has waived such compliance in writing, Buyer's conditions precedent are satisfied or waived, and the Title Company is ready, willing and able to issue its Owner's Policy of Title Insurance in the form herein prescribed, and Buyer shall then fail and refuse to close this transaction, then all Earnest Money deposited hereunder together with accrued interest thereon shall be paid to Seller as Seller's sole and exclusive remedy. If Buyer shall have fully complied with all covenants, conditions and matters hereunder by Buyer to be performed, or Seller has waived such compliance in writing, and the Title Company is ready, willing and able to issue its Owner's Policy of Title Insurance in the form herein prescribed, and Seller shall then fail and refuse to close this transaction, then at Buyer's election Buyer may either obtain a refund of all Earnest Money together with accrued interest thereon whereupon all parties shall be released from all further obligations hereunder or Buyer may sue Seller for specific performance, it being hereby acknowledged that Buyer's remedies at law are inadequate. Buyer and Seller hereby waive any and all other remedies available to either or any of them at law or in equity.

10. <u>Brokerage Commission</u>. Each of the parties hereto represents and warrants to the other that there are no other brokers or finders involved in this transaction and that there are no real estate commissions or finder's fees due in connection with this Contract and each of the parties agrees to indemnify and hold harmless the other from any other claims or liability for any other such commission or brokerage fee brought on account of the action or conduct of the indemnifying party. This paragraph shall survive the closing or termination of this Contract.

11. <u>Time, Calculation</u>. Time is of the essence in this Contract. If the final date in any provision of this Contract falls on a Saturday, Sunday or legal holiday (when national banks are closed), then, and in such event, the duration of such period shall be extended so that it shall end on the next succeeding day that is not a Saturday, Sunday or legal holiday.

12. <u>Real Estate License Act of Texas</u>. Buyer acknowledges that, in accordance with the terms of the Real Estate License Act of Texas, it has been advised that it should have an abstract covering the Land examined by an attorney of Buyer's selection or that Buyer should be furnished with or obtain a policy of title insurance.

13. <u>Notices</u>. Any notice required or desired to be given from one party to the other party to this Contract shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, postage prepaid, and addressed to such party at the address hereinafter specified; (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice, or (iv) emailed to any respective email address listed below.

14. <u>No Assignment</u>. Neither party shall have the right to assign that party's interest in this Contract without the prior written consent of the other party.

15. <u>Severability</u>. If any term or provision of this Contract is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Contract shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Contract a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

16. <u>Waiver</u>. Either Seller or Buyer shall have the right to waive any requirement contained in this Contract which is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended and specifically identifying the provision or provisions being waived. No waiver of any breach or violation of any term of this Contract shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

17. Governing Law; Venue. This Contract and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Contract are performable in Dallas County, Texas such that exclusive venue for any action arising out of this Contract shall be in Dallas County, Texas.

18. Paragraph Headings; Construction. The paragraph headings contained in this Contract are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Contract and this Contract shall not be construed either more or less strongly against or for either party.

19. Binding Effect. Except as limited herein, the terms and provisions of this Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

20. Gender. Within this Contract, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

21. Counterparts. This Contract may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

22. Exhibits. All exhibits to this Contract are incorporated herein by reference for all purposes wherever reference is made to the same.

23. Entire Agreement. It is understood and agreed that this Contract contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Contract exist. This Contract cannot be changed or terminated orally and may be modified only by a written document signed by an authorized representative both parties.

24. Relationship of Parties; No Third-Party Beneficiaries. Nothing contained in this Contract shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Contract nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Contract. There are no third-party beneficiaries to this Contract and no third-party beneficiaries are intended by implication or otherwise.

EXECUTED on the dates indicated below. For purposes of this Contract, the latter date on which a party hereto executes this Contract shall be considered the effective date (the "Effective Date").

SELLER:

City of Garland, a Texas home-rule municipality

By:_________________________

Name: ______________________

Title: ______________________

Date: ______________________

BUYER:

Garland Foundation for Development, a Texas local government corporation

By:_________________________

Name: ______________________

Title: ______________________

Date: ______________________

ADDRESS FOR NOTICE:

PURCHASER:

John Baker, Executive Director
Garland Foundation for Development
200 N. 5th Street
Garland, TX 75040
Email:

SELLER:

City of Garland
Rick Vasquez, Assistant City Manager
P.O. Box 469002
Garland, Texas 75046-9002
rvasquez@garlandtx.gov

With a copy to:
Brian England, Deputy City Attorney
200 N. Fifth St., 4th Floor
P.O. Box 469002
Garland, Texas 75046-9002
bengland@garlandtx.gov
(972) 205-2380
(972) 205-2389 [FAX]

EXHIBITS:

Exhibit "A" – Form of Restriction Agreement

EXHIBIT “A”
RESTRICTION AGREEMENT

PROPERTY RESTRICTION AGREEMENT

This Restriction Agreement ("Restriction Agreement") is made and entered into as ____________________, 2018, (the "Effective Date") by and between ________________________, its successors, or assigns ("Developer") and the Garland Foundation for Development, Inc., a Texas local government corporation ("GFFD") (collectively, "Parties").

Recitals:

The RECITALS in this Section are (1) true and correct; (2) incorporated as part of this Agreement for all purposes; (3) evidence the intent of the Parties in entering into this Agreement; and (4) to be used in interpreting this Agreement;

WHEREAS, the City of Garland, Texas, ("City") was the owner of the certain Land, commonly known as 3195 S. Garland Road or the former Hypermart Tract;

WHEREAS, pursuant to the Purchase and Development Agreement of ____ day of ___________, 2018, the City conveyed to GFFD the Land with a restriction that the Land be developed pursuant to an economic development agreement between the City and developer for commercial, retail, or entertainment purposes, or any other use expressly allowed under the economic development agreement ("Required Uses" or "Project"), all of which is more particularly described in the detailed plan attached to and incorporated into the PD Ordinance related to the Land and Project; and

WHEREAS, GFFD has, as a condition of the conveyance of the Land to Developer, restricted the use of the Land for the Approved Uses;

NOW, THEREFORE, in consideration of the sum of ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Article I
Definitions

For purposes of this Restriction Agreement, the following words and phrases shall have the following meanings unless the context clearly indicates a different meaning:

"City" means the City of Garland, a Texas home rule municipality located in Dallas County, Texas.

"Land" means the real property located in the City of Garland, Dallas County, Texas, and more fully described as follows:

> TRACT 1: Lot 12R, Bock 1 of WAL-MART SUPER CENTER 2 ADDITION, an addition to the City of Garland, Dallas County, Texas, according to the plat map thereof recorded in Volume 87242, Page 5919, Map Records, Dallas County, Texas.
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> TRACT 2: Non-exclusive Easement Estate as created by instrument dated September 3, 1992, filed September 8, 1992, recorded in Volume 92175, Page 6100, refiled in Volume 92209, Page 387, Real Property Records, Dallas County, Texas, executed by Wal-Mart Stores, Inc., a Delaware corporation and Pizza Hut of America, Inc., a Delaware corporation.
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> TRACT 3: Non-exclusive Easement Estate created by instrument dated February 15, 1999, filed May 8, 2000, recorded in Volume 2000090, Page 6455, Real Property Records, Dallas County, Texas, executed by Garland Texas Associates, a New York general partnership and Galardi Group Franchising and Leasing, Inc., a California corporation and Wal-Mart Real Estate Business Trust, a Delaware business Trust. (collectively, "Land");

"PD Ordinance" is the planned development zoning ordinance approved by the City Council of the City of Garland related to the Project and development of the Land.

"Project" is defined in the recitals.

"Property" means the Land and the Improvements, or portion thereof, following construction thereof on the Land.

"Purchase Contract" means that certain Real Property Contract of Sale by and between GFFD and Developer, dated and effective ________________, 2018 with respect to the sale of the Land by GFFD to Purchaser.

"Required Use" or "Required Uses" is defined in the Recitals.

Article II
Restrictions

3.1 Use of Property; Buildings. No lot or portion of the Property shall be owned, held leased, transferred, sold, mortgaged or conveyed for any use other than the development of the Project and the Required Use. No building shall be constructed, reconstructed, erected, altered, or placed on any portion of the Land other than the improvements that will be used in conformance with the Required Use.

Article IV
Miscellaneous

4.1 Enforcement. GFFD and any subsequent owner of all or any portion of the Land, other than resident owners of any single-family dwelling, shall have the right, but not the obligation, to enforce this Restriction Agreement, as the same may be amended as herein provided. Enforcement of this Restriction Agreement and the covenants and restrictions contained herein may be exercised after failure of any person or persons violating or attempting to violate any covenants or restrictions to cure such violation or breach within ninety (90) days after receipt of written notice thereof by proceeding at law or in equity, against any person or persons violating or attempting to violate any covenants or restrictions, to restrain violation or to recover damages, and failure to enforce any covenant, restriction or condition shall not be deemed a waiver of the right of enforcement either with respect to the violation in question or any other violation. The rights of GFFD under this Restriction Agreement may not be waived or released except pursuant to an amendment or termination approved in accordance with the provisions hereof.

4.2 Duration. The Use Restrictions set forth herein shall be effective from the date this Restriction Agreement is recorded and continue for a period of ten (10) years following the Effective Date, at which time this Restriction Agreement shall automatically and immediately terminate without notice.

4.3 Amendment. No amendment or any early termination of this Restriction Agreement shall be effective unless and until the Executive Director of the GFFD has approved the same as evidenced by an executed instrument and recorded in the Real Property Records of Dallas County, Texas. In the event Developer desires to change, amend or alter the Use Restrictions set forth in Article 3 so that the Property may be used for other than single-family residential use, Developer shall file a written application for such change or amendment to Article 3 with the Executive Director of the GFFD. The GFFD shall approve or deny such application in whole or in part within thirty (30) days after receipt of such application, with the failure to act constituting a denial of the request.

4.4 Notices. All notices, requests, demands or other communications required or permitted hereunder shall be in writing and shall be deemed to have been fully and completely made when given by hand, by confirmed facsimile transmission by overnight delivery by Federal Express or other reliable courier or the mailing of such by registered or certified mail, addressed as follows:

If to Developer:
____
____
____

If to GFFD:
Garland Foundation for Development, Inc.
Attn: John Baker, Executive Director
200 N. 5th Street
Garland, TX 75040

With a copy to:
Brian C. England
City of Garland
200 N. 5th Street
Garland, Texas 75040
(972) 205-2380
E-mail: bengland@garlandtx.gov

Any party may at any time and from time to time by notice in writing to the other party hereto change the name or address of the person to who notice is to be given as hereinbefore provided.

5.5. Successors and Assigns. This Agreement shall bind, and inure to the benefit of, the parties and their respective successors and assigns.

5.6. Governing Law. This Agreement is entered into and is intended to be performed in the State of Texas, and the validity, enforceability, interpretation and construction hereof shall be determined and governed by the laws (other than conflict of law provisions) of the State of Texas. Venue for any action shall be in the state district court of Dallas County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

5.7. Recording. The parties agree that GFFD may record this Agreement in the Official Real Property Records of Dallas County, Texas.

5.8. Covenants Run with the Property. This Restriction Agreement and the terms and provisions hereof are intended to run with the Property and shall be binding upon Developer and each and every subsequent owner, tenant, subtenant, licensee, manager, and occupant of all or any portion of the Property, other than single-family lots, including all improvements thereon, but only during the term of such party's ownership, tenancy, license, management or occupancy of the Property, for which such party shall remain liable and shall be binding upon and inure to the benefit of the GFFD and its successors and assigns. It is expressly understood and agreed that acceptance of title to all or a portion of the Property shall automatically, and without further acknowledgement or conformation from the owner, constitute such owner's assumption of the obligations of Developer hereunder with respect to the applicable portion of the Property.

5.9. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no statement, promise, representation or modification hereof by any person, if any, and whether oral or written, shall be binding upon any party.

5.10, Assignment to City. GFFD may, in its sole discretion, assign all of its right, title, and interest in this Agreement to City without the consent of Developer, provided such assignment shall not be effective earlier than the date notice of the assignment is delivered by GFFD to Developer.

5.11 Relationship of Parties; No Third-Party Beneficiaries. Nothing contained in this Restriction Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Restriction Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Restriction Agreement. There are no third-party beneficiaries to this Restriction Agreement and no third-party beneficiaries are intended by implication or otherwise.

5.11. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts; each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist **o**f a number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

[Signature page to follow]

EXECUTED on the dates indicated below. For purposes of this Contract, the latter date on which a party hereto executes this Contract shall be considered the effective date (the "Effective Date").

DEVELOPER:

FOUNDATION:

Garland Foundation for Development, Inc., a Texas local government corporation

By:__________________________

Name: _______________________

Title: _______________________

Date: _______________________

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of ______________________, 2018, by ______________________________.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____________________, 2018.

____
Notary Public in and for the State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of ______________________, 2018, by John Baker, in his capacity as Executive Director of the Garland Foundation for Development.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____________________, 2018.

____
Notary Public in and for the State of Texas

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **7.**

Meeting Date: 12/04/2018

Item Title: Single Stream Recyclable Materials Transport, Processing, and Marketing Agreement

Submitted By: Lonnie Banks, Managing Director

Summary of Request/Problem

City Council received for consideration at their November 5, 2018 Work Session Meeting a Policy Report regarding the need to modify Single Stream Recyclable Materials Transport, Processing, and Marketing Agreement between the City of Garland (City) and Fomento de Construcciones y Contratas, Inc. (FCC) due to decreased recyclables commodity values and increased operational costs.

Recommendation/Action Requested and Justification

Consider by minute action authorizing the City Manager to execute an amendment to the Single Stream Recyclable Materials Transport, Processing and Marketing Agreement between the City of Garland (City) and Fomento de Construcciones y Contratas, Inc. (FCC).

Attachments

Garland FCC Amendment

AMENDMENT TO SINGLE-STREAM RECYCLABLE MATERIALS TRANSPORT, PROCESSING, AND MARKETING AGREEMENT BETWEEN CITY OF GARLAND AND FOMENTO DE CONSTRUCCIONES Y CONTRATAS, INC.

This document constitutes an amendment to the SINGLE-STREAM RECYCLABLE MATERIALS TRANSPORT, PROCESSING, AND MARKETING AGREEMENT BETWEEN CITY OF GARLAND AND FOMENTO DE CONSTRUCCIONES Y CONTRATAS, INC., (the "Amendment"), between The City of Garland, TX, a home-rule municipality duly incorporated and existing under the constitution and laws of the State of Texas ("CITY"), and Fomento de Construcciones y Contratas, INC, a Spanish corporation authorized to transact business in this state ("CONTRACTOR," and together with CITY, the "Parties," and each, a "Party").

WHEREAS, the Parties have entered into a SINGLE-STREAM RECYCLABLE MATERIALS TRANSPORT, PROCESSING, AND MARKETING AGREEMENT, effective April 3, 2017, the "Existing Agreement"); and

WHEREAS, the Parties hereto desire to amend the Existing Agreement to obligate the City effective as of April 3, 2019, to begin paying for Transport Service Fees under the Existing Agreement which are contained in “Attachment A” and “Attachment B” of the Existing Agreement; and

WHEREAS, pursuant to Section 33 of the Existing Agreement, the amendment contemplated by the Parties must be contained in a written agreement signed by an authorized representative of each Party.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

> l. Definitions. Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement.
>
> 2. Amendments to the Existing Agreement. As of April 3, 2019, the Existing Agreement is hereby amended or modified as follows:
>
> > (a)The Existing Agreement is hereby amended by removing and deleting the existing "Attachment A Service Fees" attached to the Existing Agreement and replacing it with the new "Attachment A Service Fees" which is attached to this Amendment and is incorporated herein by reference for all purposes.
> >
> > (b) The Existing Agreement is hereby amended by removing and deleting the existing "Attachment B Calculation of Payment due the City" attached to the Existing Agreement and replacing it with the new "Attachment B Calculation of

Payment due the City " which is attached to this Amendment and is incorporated herein by reference for all purposes.

3. Representations and Warranties. Each Party hereby represents and warrants to the other Party that:

(a) This Amendment has been executed and delivered by such Party and (assuming due authorization, execution, and delivery by the other Party hereto) constitutes the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms.

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN THE EXISTING AGREEMENT AND IN THIS SECTION 4 OF THIS AMENDMENT, (A) NEITHER PARTY HERETO NOR ANY PERSON ON SUCH PARTY'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED, AND (B) EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE OTHER PARTY, OR ANY OTHER PERSON ON SUCH OTHER PARTY'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 4.

4. Miscellaneous.

(a) This Amendment and all related documents including all exhibits attached hereto, and all matters arising out of or relating to this Amendment, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of Texas, United States of America.

(b) This Amendment shall inure to the benefit of and be binding upon each of the Parties and each of their respective successors and assigns.

(c) The headings in this Amendment are for reference only and do not affect the interpretation of this Amendment.

(d) This Amendment may be executed in counterparts, each of which is deemed an original, but all of which constitutes one and the same agreement.

(e) This Amendment constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

IN WITNESS, WHEREOF, the Parties, by our duly authorized agents, hereto affix our signatures and seals, effective as of the ______ day of ______________ ,2018.

City of Garland, Texas	**Contractor**
By: ______________________________	By: ______________________________
Title:______________________________	Title:______________________________

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority on this day personally appeared ____________________ known to me to be the one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledged to me he/she is the duly authorized representative for the CITY OF GARLAND, TEXAS and he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF THIS OFFICE this _______ day of __________, 2018.

____

Notary Public in and for the State of Texas

My commission expires: _____________________ [seal]

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority on this day personally appeared ___________________ known to me to be the one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledged to me he/she is the duly authorized representative for Fomento de Construcciones y Contratas, INC. and he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF THIS OFFICE this _______ day of __________, 2018.

____

Notary Public in and for the State of Texas

My commission expires: _____________________ [seal]

Attachment A
Service Fees

Service Fees:

Transport Services Fee	$195.50	per pull
Processing and Marketing Services Fee	$76.00	per ton

* The City shall pay contractor the amount for Transport Services Fee. The City is not obligated to pay contractor Processing and Marketing Fee in the event that the negative recyclable revenue share is never offset by positive recyclable revenue share owing the City.

Attachment B
Calculation of Payment due the City

Gross Recyclable Revenue from the sale of Recyclable Materials shall be based on the following:

(a) Composition of Program Recyclable Materials according to the most recent characterization audit conducted pursuant to the Agreement; and
(b) The recyclable revenue share basis index calculated each month in accordance with Table B-1 below. If a publication or grade identified in Table B-1 ceases to be published or is changed, the Parties shall mutually agree to an industry accepted market pricing publication or grade to be used for purposes of the Recyclable Revenue Share. Mill tickets will be required to be made available upon request as back-up for all actual sales price information.

Table B-1: Recyclable Revenue Share Basis and Index

Recyclable Materials	Revenue Share Basis
Newspaper	The greater of Pulp & Paper Week,______, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price, or zero
Old Corrugated Cardboard	The greater of Pulp & Paper Week,______, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price or zero
Chipboard	The greater of Pulp & Paper Week,______, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price or zero
Magazines, Catalog, and Phone Books	The greater of Pulp & Paper Week,______, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price or zero
Other Program Recyclable Material- Paper	The greater of Pulp & Paper Week,______, high-side, Southwest region, (1st issue of the month), Average Monthly Actual Sales Price or zero
Plastic #1	The greater of RecyclingMarkets.net, Plastics PET Baled, Houston (Southcentral) region, (2nd business day of the month) regionally average price, Average Monthly Actual Sales Price or zero
Plastic #2 Natural	The greater of RecyclingMarkets.net, Plastics Natural HDPE Baled, Houston (Southcentral) region, (2nd business day of the month) regionally average price, Average Monthly Actual Sales Price or zero
Plastic #2 Colored	The greater of RecyclingMarkets.net, Plastics Colored HDPE Baled, Houston (Southcentral) region, (2nd business day of the month) regionally average price, Average Monthly Actual Sales Price or zero
Other Program Recyclable Material- Plastic	The greater of the Average Monthly Actual Sales Price, Verified Market Price, or zero
Aluminum	The greater of American Metal Market (AMM), Aluminum, (1st issue of the month), Average Monthly Actual Sales Price or zero
Steel/Tin	The greater of American Metal Market (AMM), Tin, (1st issue of the month), Average Monthly Actual Sales Price or zero
Other Program Recyclable Material- Metal	The greater of American Metal Market (AMM), Tin, (1st issue of the month), Average Monthly Actual Sales Price or zero
Glass	The greater of the Average Monthly Actual Sales Price, Verified Market Price, or zero
Residuals and Contamination	Zero

The calculation for the payment due the City shall be as follows:

Net Revenues =
Gross Recyclable Revenue from sale of Recyclable Material –
Processing and marketing Fees accrued
Then
Recyclable Revenue Share = Net Revenues x Recyclable Revenue Share to City (%)

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **8.**

Meeting Date: 12/04/2018

Item Title: Consider an Economic Development Services Agreement between the Garland Chamber of Commerce and the City of Garland

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Summary of Request/Problem

Council is requested to consider approving an Economic Development Services Agreement between the Garland Chamber of Commerce and the City of Garland.

Recommendation/Action Requested and Justification

Approve by minute action an Economic Development Services Agreement with the Garland Chamber of Commerce and the City of Garland.

Attachments

Economic Development Service Agreement

ECONOMIC DEVELOPMENT SERVICES AGREEMENT

This agreement (the "Agreement") is made and entered into by and between the City of Garland, Texas (the "City") and the Garland Chamber of Commerce, a Texas non-profit corporation (the "Chamber").

WITNESSETH

For and in consideration of the mutual promises and undertakings contained in this Agreement, the parties agree as follows:

Section 1. Provision of Economic Development Services. The Chamber agrees to provide the City with all of the services, programs, and undertakings that may be reasonably requested by the Garland Economic Development Steering Committee (the "Committee"), as decided from time-to-time by formal vote of said Committee. As part of its duties hereunder, the Chamber shall annually present to the Committee a plan for its provision of services, programs, and undertakings for the upcoming year (the "Program Plan"). The Chamber shall incorporate such reasonable suggestions to the Program Plan as the Committee may reasonably request. The Committee shall approve the Program Plan on an annual basis. After the Program Plan is approved by the Committee, the Chamber shall present the Program Plan to the constituent members of the Garland Economic Development Partnership.

Section 2. Payment for Services. The City agrees to pay the Chamber, in consideration of the services, programs, and undertakings to be provided by the Chamber to the City, or for its benefit, under this Agreement, an annual fee to be paid in equal monthly installments by the City to the Chamber during the term of this Agreement. The amount of said annual fee shall be as follows: In Year No. 1 (from the effective date hereof to the 12-month anniversary hereof) the annual fee to be paid by the City to the Chamber shall be $480,000.00. With respect to Years No. 2 thru No. 5 during the term hereof, the annual fee shall be computed each year as an amount equal to or greater than one hundred percent (100%) of the annual fee for the previous year, plus the Annual Renewal Adjustment (as defined herein), subject to mutual agreement between the parties. The "Annual Renewal Adjustment" for any renewal year shall be calculated by multiplying the prior year's annual fee for the expiring year by the percentage change in the U.S. Employment Cost Index – Management, Business and Financial ("ECI") for all items, as published by the U.S. Dept. of Labor Bureau of Labor Statistics, from the beginning of, to the end of, the preceding calendar year, and adding the product of that exercise to the prior year's annual fee; provided, however, if the percentage change in the ECI decreases from the beginning of, to the end of, the preceding calendar year, there shall no such change to the annual fee for the following year. That is, the annual fee hereunder from one year to the next shall increase at a rate equal to the inflation rate during the prior year as determined by the ECI, but it shall not in any event decrease from one year to the next. The Annual Renewal Adjustment shall be made as soon as practicable each year during the term hereof, to be effective as of each January 10th renewal date, and all payments due hereunder shall be calculated to provide for the full payment of the new annual fee over the number of monthly payments remaining.

Section 3. Accounting and Auditing. The Chamber shall maintain records of and account for all funds expended by the Chamber pursuant to this Agreement in accordance with generally accepted accounting practices. Such records shall be made available to the City for inspection at any reasonable time during normal office hours. Every other year throughout the term of this Agreement, the Chamber shall also obtain and produce to the City a financial audit, conducted by an independent accounting firm reasonably acceptable to the City, of the activities and expenses of the Chamber under this Agreement. The Chamber shall provide the City with monthly accounting reports, in a form reasonably acceptable to the City, of all expenditures made by the Chamber under this Agreement for the month of the report.

Section 4. Term; Termination. The term of this Agreement shall be five (5) successive 1-year periods commencing on January 10, 2019, and continuing through January 9, 2024, automatically renewable annually on each 10th day of January during the term hereof, provided that either party may terminate this Agreement, at will and without cause, liability, or penalty, by giving written notice of termination to the other party not less than thirty (30) days prior to the beginning of the next calendar year. In the event of termination by the City, any funds paid by it to the Chamber under this Agreement and not expended by the Chamber shall be promptly returned to the City. Provided further, that in the event no funds or insufficient funds are appropriated or budgeted or are otherwise unavailable for any reason for any payment due under this Agreement, then this Agreement shall terminate, without liability or penalty, as of the last day that such funds were available or appropriated.

Section 5. Notices. Any notice required or desired to be given from one party to the other party to this Agreement shall be in writing and shall be given and shall be deemed to have been served and received (whether actually received or not) if (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

Section 6. No Assignment. Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party.

Section 7. Severability. If any term or provision of this Agreement is held to be illegal, invalid, or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid, or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

Section 8. Waiver. Either the City or the Chamber shall have the right to waive any requirement contained in this Agreement which is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

Section 9. Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Dallas County, Texas, such that exclusive venue for any action arising out of this Agreement shall be in Dallas County, Texas.

Section 10. Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement, and this Agreement shall not be construed either more or less strongly against or for either party.

Section 11. Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

Section 12. Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

Section 13. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original; and all of which shall constitute but one and the same instrument.

Section 14. Exhibits. All exhibits, if any, to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Section 15. Entire Agreement. It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

Section 16. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

Section 17. Representations Concerning Authority. The execution and delivery by the parties of this Agreement, and the parties' performance hereunder, are within the parties' respective powers and have been duly authorized by all requisite municipal, corporate, or other applicable action, as the case may be. The person executing this Agreement on behalf of each party has the authority to do so.

[EXECUTION PAGE FOLLOWS]

EXECUTED on the dates indicated below but deemed to be effective as of the 10th day of January, 2019.

CITY:	CHAMBER:
City of Garland, Texas	Garland Chamber of Commerce, a Texas non- profit corporation
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: Mayor	Title: Chairperson of the Board of Directors
Date: ______________________	Date: ______________________

ADDRESS FOR NOTICE:

CITY:	CHAMBER:
City of Garland, Texas 200 N. Fifth Street P.O. Box 469002 Garland, Texas 75046-9002 Attn: City Manager	Garland Chamber of Commerce 520 N. Glenbrook Drive Garland, Texas 75040-5041 Attn: CEO

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **9.**

Meeting Date: 12/04/2018

Item Title: Rescheduing of October 1 and November 19 Regular City Council Meetings

Submitted By: Rene Dowl, City Secretary

Summary of Request/Problem

At the December 3, 2018 Work Session, Council considered rescheduling the January 1, 2019 Regular Meeting to January 8, 2019, October 1, 2019 Regular Meeting to September 30, 2019 and the November 19, 2018 Regular Meeting to November 12, 2019.

Recommendation/Action Requested and Justification

Approve a resolution rescheduling the January 1, October 1 and November 19 Regular Meetings of the City Council to January 8, September 30 and November 12.

Attachments

2019 City Council Dates

RESOLUTION NO.

A RESOLUTION RESCHEDULING MEETINGS OF THE CITY COUNCIL TO BE HELD IN CALENDAR YEAR 2019 AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Sec. 8, Article III of the City Charter requires the City Council to prescribe by ordinance or resolution the time for its regular meetings; and

WHEREAS, Sec. 10.14 of the Code of Ordinances provides that regular meetings of the City Council shall be held on the first and third Tuesdays of each month; and

WHEREAS, because the first regular meeting for January, 2019 falls on the New Year's holiday, the City Council desires to reschedule that meeting to a later date in January; and

WHEREAS, in order to allow the members of the City Council to participate in the National Night Out Against Crime, the usual schedule for the meeting of the City Council that would be held on the first Tuesday of October is impracticable; and

WHEREAS, because the second regular meeting of the City Council for November will fall during the Thanksgiving holidays, the City Council desires to reschedule that meeting to an earlier date in November; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

Section 1

That the City Council hereby establishes January 8, 2019 as the date of its first regular meeting in January, 2019; September 30, 2019 as the date of its first regular meeting for the month of October, 2019; and November 12, 2019 as the date of its second regular meeting for the month of November, 2019.

Section 2

That this Resolution shall be and become effective immediately upon and after its adoption and approval.

PASSED AND APPROVED this the 4th day of December, 2018.

CITY OF GARLAND, TEXAS

Mayor

ATTEST:

City Secretary

GARLAND
PLANNING REPORT

City Council Regular Session Agenda **10.**

Meeting Date: 12/04/2018

Item Title: Consider amendments to Chapter 2, Section 2.61 of the Garland Development Code regarding Home Occupations.

Submitted By: Will Guerin, Planning Director

REQUEST

Consider amendments to Chapter 2, Section 2.61 of the Garland Development Code regarding Home Occupations.

PLAN COMMISSION RECOMMENDATION

During their November 12, 2018 meeting, the Plan Commission, with a seven (7) to zero (0) vote, recommended approval of amendments to Chapter 2, Section 2.61 of the Garland Development Code regarding Home Occupations.

STAFF RECOMMENDATION

Approval of amendments to Chapter 2, Section 2.61 of the Garland Development Code regarding Home Occupations.

BACKGROUND

The proposed amendments add clarification regarding what constitutes a violation of the Home Occupations section of the GDC (Section 2.61) in relation to automobile repair and sales; as well as contracting, lawn care and construction services within a residential zoning district. Subsequent GDC amendment language has been reviewed and recommended accordingly by the Development Services Committee of the City Council. As mentioned above, the Plan Commission reviewed and recommended approval of the amendments during their November 12, 2018 meeting.

CONSIDERATIONS

1. The proposed amendments would make it a violation to perform major automobile repair in a residential zoning district, or minor or major automobile repair in a residential zoning district if the vehicle is not registered to a person who owns the property (or named on the electric utility bill) on which the motor vehicle is located.

   “Automobile Repair, Major” is defined in the GDC as: General repair or reconditioning of automobiles such as the following: engines, air-conditioning systems and transmissions for motor vehicles, collision repair services including body, frame or fender straightening or repair, customizing, painting, vehicle steam cleaning, undercoating and rustproofing, the uses listed under Automobile Repair (Minor), and other similar uses.

"Automobile Repair, Minor" is defined in the GDC as: Minor repair of automobiles such as the following: replacement of parts, tires (includes tire store), tubes and batteries, diagnostic services, minor maintenance services such as grease, oil (includes oil or lube facility), spark plug and filter changing, tune-ups, emergency road service, replacement of starters, alternators, hoses and brake parts, automobile washing and polishing, performing state inspections and making minor repairs necessary to pass state inspections, normal servicing of air-conditioning systems, the repair and replacement of automotive glass and upholstery, and other similar maintenance services, but not including any operation named under Automobile Repair (Major) or any other similar use.

2. The proposed amendments would also make it a violation to store, park, or stage construction equipment, materials, or a trailer or motor vehicle loaded with construction equipment or materials in a residential zoning district.

3. In addition, the proposed amendments would make it a violation to sell vehicles that are not registered to a person who owns the property (or named on the electric utility bill) on which the motor vehicle is located, parked, or stored.

Attachments

GDC Sec. 2.61 Proposed Amendments Redlined

Section 2.61 Home Occupations

(A) Definition. A Home Occupation may be lawfully conducted only as a secondary, accessory use.

(B) General Prohibition. A Home Occupation is prohibited, unless: (i) it is conducted entirely indoors, only by a person residing in the home; (ii) it offers no goods for sale or display on the premises; and (iii) it does not require the delivery or shipment of goods from the residence.

(C) Criteria. It is an affirmative defense to prosecution under Section 2.61(B) above, that the Home Occupation meets each of the following criteria:

(1) Only one person, other than occupants of the residence, is engaged in the Home Occupation at the residence regardless whether that person is a volunteer, an employee or is otherwise compensated;

(2) There is no outside storage of materials connected with the Home Occupation;

(3) There is not more than one vehicle used in connection with the Home Occupation located on the premises or on an adjacent street. A vehicle used in the operation of the home occupation may be no larger than a passenger van or pick-up truck;

(4) There is no change in the outside appearance of the building or premises, or other visible evidence of the conduct of the Home Occupation, and no use of a sign, including any sign on a vehicle parked on the premises or on an adjacent street, to advertise the Home Occupation;

(5) There is no substantial increase in traffic and no need for additional parking;

(6) The Home Occupation does not create noxious conditions to abutting or neighboring property such as noise, odor, light, or smoke; and

(7) The business is conducted completely indoors, except where the business activities conducted outdoors do not inconvenience or interfere with the peace, enjoyment, comfort, or tranquility of any neighboring property.

(D) Prohibited Activities. Notwithstanding any other provision of this Section 2.61, the following are hereby expressly prohibited ~~as home occupations~~in a residential zoning district:

(1) Vehicle sales~~;~~. It shall be an offense for any person to cause, allow, suffer, or permit the sale or advertising for sale of a motor vehicle that is not registered to a person who owns the property (or named on the electric utility bill) on which the motor vehicle is located, parked, or stored.

(2) Vehicle repairs.~~;~~

(a) It shall be an offense for any person to cause, conduct, allow, suffer, or permit Major Automobile Repair, as defined in Chapter 6 of the Garland Development Code, on a property located in a residential zoning district if the vehicle being repaired, or any portion thereof, is visible from a public right-of-way.

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(b) It shall be an offense for any person to cause, conduct, allow, suffer, or permit Major or Minor Automobile Repair, as defined in Chapter 6 of the Garland Development Code, to a motor vehicle in a residential zoning district if the vehicle being repaired is not registered to a person who owns the property (or named on the electric utility bill) on which the motor vehicle is located.

(3) Wrecker service;

(4) Limousine or taxi service;

(5) Animal breeding; and

(6) ~~–~~ Contracting, lawn care, or construction services~~, that require the storage of construction equipment or vehicles~~. ~~.~~It shall be an offense for any person to cause, conduct, allow, suffer, or permit the storage, parking, or staging of construction equipment, materials, or a trailer or motor vehicle loaded with construction equipment or materials in a residential zoning district.

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GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **11.**

Meeting Date: 12/04/2018

Item Title: Consider adopting a legislative program for the 2019 session of the Texas Legislature

Submitted By: Brad Neighbor, City Attorney

Summary of Request/Problem

Council has discussed the parameters of a legislative program at the two most recent work sessions. The City Attorney has requested that the City Council endorse seeking introduction and passage of four items of legislation: (1) A bill regarding the execution of DWI blood draw warrants; (2) A bill allowing for arrests without warrant of (adult) students who threaten school violence outside the presence and view of a police officer; (3) A bill moving upwards the population cap on a statute that authorizes the City to collect certain emergency services fees so that the City may continue collecting such fees; and (4) A bill pertaining to the use of hotel/motel taxes.

The City Attorney also seeks general guidance from the City Council as to legislative issues that it desires to endorse or oppose during the upcoming legislative session. It should be kept in mind that we do not know exactly what bills will be filed during the session. With respect to requests by outside organizations, such as the Texas Municipal League, to adopt resolutions or other indications of positions on particular bills, those matters will be brought to the City Council's attention as they arise.

What the City Attorney seeks is a general consensus of the City Council as to issues the City Council wants the City's legislative efforts to be directed. Conversely, if there are issues the City Council wants to neither support nor oppose, direction should be given to the City Attorney in that regard.

Recommendation/Action Requested and Justification

Adopt by minute action a legislative program endorsing the introduction and passage of the four proposed bills outlined above, and providing such other direction as Council may deem appropriate, to be used by staff as a guideline in pursuing the City's legislative interests.
