GARLAND

AGENDA

REGULAR MEETING OF THE CITY COUNCIL

City of Garland

REMOTE MEETING

Tuesday, February 2, 2021
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.

NOTICE: Due to the COVID-19 emergency and, pursuant to Section 551.125 of the Texas Government Code and the executive orders of Governor Greg Abbott suspending provisions of the Texas Government Code and other applicable laws of the State regarding normal open meetings, the City Council will hold this meeting by internet/telephonic remote means.

The meeting will be broadcast by webinar or telephone at the following URL:

https://garlandtx.zoom.us/webinar/register/WN_CJxaRJpTT7acQdGEowFYwA

Registration for the online meeting is required. The meeting will be recorded and will be available for viewing the next day at www.garlandtx.gov.

For those without internet access to the meeting, a dial-in option is available. The numbers are:

Additionally, the meeting may be accessed by phone at the following number:

346-248-7799
470-250-9358
470-381-2552

The Meeting ID is: 994 4434 0314

For participants (online and by phone) who wish to speak on an item on the agenda, you must use the "raise hand" feature in order to be recognized. Similarly, if you wish to provide a comment at the end of the agenda during the open public comments portion of the meeting, you must use the "raise hand" feature.

You are invited to offer a comment or make a statement on any item on the agenda as that item is called. Your comments must relate to an item on this agenda - non-germane comments are not in order. Time limits will be imposed by the Mayor as appropriate to the nature of the agenda item. Generally, public speakers are given three minutes. Due to legal restrictions, the City Council is not able to answer questions during the public comments portion of the agenda.

If the City Council adjourns into Executive Session during this meeting, the Executive Session will be conducted by teleconference between and among the members of the City Council and relevant City staff. Public access to that call is prohibited by State law.

COUNCIL HOUSE RULES

1. Decisions based on issues, goals and vision.

2. Do not take things personal.

3. Project a positive attitude.

4. Focus on issues, not on the person.

5. Be prepared to discuss issues.

6. Maintain decorum.

7. Keep your sense of humor.

8. Honor and respect each other; accept each other as individuals.

9. Follow goals, principles and action agenda.

10. Decide, vote and move on.

11. Avoid ambushes - Council or staff.

12. Talk to staff before meetings.

13. Vote our convictions, but be willing to compromise *"What is best for Garland."*

14. Follow Roberts Rules of Order consistently.

15. Agree to disagree.

16. Be open and honest.

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 January 12 Regular Meeting and January 19 Special CIP Work Session.**

2. **Consider approval of the following bids:**

   a. **Street Sweepers** — **Bid No. 0432-21**

   Freightliner of Austin — **$517,768.00**

   This request is for the purchase of two replacement street sweepers for the Stormwater Management Department.

b. **Water & Wastewater Operations Building Architectural Services** **Bid No. 0417-21**

MPI Architects	**$679,100.00**

This request is to obtain professional architectural services for the design of a new Water & Wastewater Operations Building.

c. **Sanitary Sewer Manhole Rehabilitation on Bardfield Drive** **Bid No. 0339-21**

Insituform Technologies, LLC	**$127,495.25**

This request is to provide rehabilitation of twenty-nine (29) sanitary sewer manholes located on Bardfield Drive.

d. **5.0 MG Lavon Groundwater Storage Tank Rehabilitation** **Bid No. 0153-21**

DN Tanks, Inc.	**$783,000.00**
Optional Contingency	**78,300.00**
TOTAL:	**$861,300.00**

This request is to provide rehabilitation to the 5.0 MG Lavon groundwater storage tank. An Optional Contingency is included for any additional work that may be required.

e. **Lyons Road Alignment Study Services** **Bid No. 0420-21**

Criado & Associates, Inc.	**$276,450.00**

This request is to obtain professional services for an alignment study of Lyons Road from I.H. 30 to Guthrie Road.

f. **Peripheral Equipment for Police Patrol Vehicles** **Bid No. 0422-21**

GT Distributors, Inc.	**$234,432.55**
Plastix Plus, LLC	**76,545.00**
Kustom Signals, Inc.	**31,228.91**
Stop Stick, Ltd.	**12,249.63**

PVP Communications	**4,389.00**
Stalker Radar, Inc.	**3,505.00**
TOTAL:	**$362,350.09**

This request is to purchase the equipment necessary to upfit the new Police Department Chevrolet Tahoes to make them fully functioning patrol vehicles.

g. **Upgrade of Police Department E911 Equipment** **Bid No. 0424-21**

Vesta Solutions, Inc. **$320,439.84**

The Garland Police Department's current Public Safety Answering Point E911 equipment has been placed on product discontinuation notice and will, therefore, be at end-of-life.

h. **TMPA Keith Switch to Steep Hollow Transmission Line Rebuild Materials** **Bid No. 0003-21**

Texas Electric Cooperatives, Inc. **$1,487,075.00**

This request is for the purchase of two steel dead-end structures and 105 concrete structures with associated materials for the TMPA Keith Switch to Steep Hollow Transmission Line Rebuild CIP project.

i. **Playground Replacement Program - Package 1 Construction** **Bid No. 1106-20**

Dean Construction **$1,179,978.00**

This request is for site improvement construction for the nine playgrounds in Package 1 of the Playground Replacement Program.

j. **TMPA Ben Davis to Royse SW 345kV Transmission Line Tower Replacement Engineering Services** **Bid No. 0434-21**

Black & Veatch **$205,481.00**

This request is to obtain electrical, civil and design engineering services to mitigate erosion on transmission structure 2/5 on the existing TMPA Royse to Ben Davis 345kV Transmission Line.

k. GP&L Overhead Distribution Line Relocations for TxDOT **Bid No. 0281-21**

JW Powerline	**$673,283.84**
Optional Contingency	**30,000.00**
TOTAL:	**$703,283.84**

This request is to provide labor and equipment needed to relocate GP&L overhead facilities to eliminate conflicts with the Texas Department of Transportation (TxDOT) widening of I.H. 635. An Optional Contingency is included for any additional work that may be required.

l. Switchgears for Warehouse Inventory **Bid No. 0219-21**

Texas Electric Cooperatives	**$108,132.00**

This request is to purchase six switchgears for Warehouse inventory.

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 19-27, Kimley-Horn and Associates, Inc. (District 5)

Consider an ordinance amending the Garland Development Code of the City of Garland, Texas, by approving 1) a Change in Zoning from Planned Development (PD) District 93-11 to a Planned Development (PD) District for Industrial (IN) uses and 2) a Detail Plan for a Truck/Bus Repair Use on a 9.615-acre tract of land zoned Planned Development (PD) District 93-11 and located at 2700-2816 McCree 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 Savings Clause and a Severability Clause; and providing an effective date.

4. Consider by minute action the approval of the East Garland State Highway 66 Project Development Agreement as well as the Mutual Aid and Master Development Agreement between the City of Garland and the Garland Foundation for Development.

The Garland Foundation for Development considered and authorized these agreements on December 15, 2020.

5. Consider a resolution ratifying the approval and the execution of a settlement agreement and a first amendment to the North Texas Municipal Water District Regional Water Supply Facilities Amendatory Contract; and providing an effective date.

At the February 1, 2021 Work Session, Council considered approving a resolution ratifying the approval and the execution of a settlement agreement and a first amendment to the North Texas Municipal Water District Regional Water Supply Facilities Amendatory Contract.

6. Consider a resolution authorizing Texpool Participation and Designating Amegy Bank as Authorized Representatives of TWDB Escrow Accounts.

Council is requested to consider a resolution authorizing Zions Bancorporation, National Association, Amegy Bank Division (Amegy Bank) to participate in TexPool Investment Pools and designating Authorized Representatives of Amegy Bank to perform and inquire on two Texpool escrow accounts established by the City of Garland to earn interest on Texas Water Development bond proceeds and grant proceeds associated with the multi-year Radio Read Water Meter Retrofit project approved in the 2020 CIP.

7. Consider a resolution providing for the redemption of certain outstanding City of Garland, Texas, Tax Notes, Series 2020; and resolving other matters incident and related to the redemption of such obligations.

When Council approved the issuance of $24,860,000 Tax Notes, Series 2020 on September 15, 2020, it was contemplated that the City would exercise the call provision to redeem the notes prior to the scheduled maturity date of November 15, 2021. Staff requests Council consider approving a resolution to redeem the Tax Notes, Series 2020 as contemplated.

8. Consider a resolution of the City Council of the City of Garland, Texas, adopting a Strategic Master Libraries Plan; and providing an effective date.

At the January 11, 2021 Work Session, Council considered the Library Master Plan Draft which provides analysis, recommendations and action plans for the Library Department in the following areas: Strategic Plan, Technology Plan, Staffing Plan and Facilities Plan.

9. Consider an ordinance authorizing the issuance of "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2021", 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; and the approval and distribution of a Preliminary Official Statement and an

Official Statement; and providing an effective date.

At the November 16, 2020 Work Session, Council considered refunding approximately $23.4 million of Water and Sewer System Commercial Paper Notes, Series 2015 and approximately $14.4 million Water and Sewer System Revenue Bonds, Series 2011 with Water and Sewer System Revenue Refunding Bonds, Series 2021. The purpose of this transaction is to refund a portion of variable rate commercial paper notes with fixed rate long-term debt and to generate debt service savings.

10. **Consider an ordinance authorizing the issuance of "City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2021", pledging the net revenues of the City's electric utility system to 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 and a Purchase Agreement; and the approval and distribution of a Preliminary Official Statement and an Official Statement; and providing an effective date.**

    At the November 16, 2020 Work Session, Council considered authorizing the refunding of approximately $55 million of Electric Utility System Commercial Paper Notes, Series 2018 and approximately $5.4 million of Electric Utility System Revenue Bonds, Series 2011 with Electric System Revenue Refunding Bonds, Series 2021. The purpose of this transaction is to refund a portion of variable rate commercial paper notes with fixed rate long-term debt and to generate savings in debt service.

11. **Consider an ordinance amending Chapter 1, Article 2 "Universal Procedures" and Chapter 4, Article 5 "Signs" of the Garland Development Code.**

    Council is requested to approve an amendment to the Garland Development Code (GDC) regarding on-premise and off-premise signage, and digital displays. Also included in the draft ordinance are necessary changes to expand notification recipients for zoning cases to the physical addresses and increase the notification distance to 1,000 feet for High Risk Use cases, as directed by the City Council.

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.

12. Consider an ordinance ordering a General Election for the City of Garland, Texas to be held on the 1st day of May, 2021 for the purpose of electing a Mayor and for electing Council Members to Districts 3, 6, 7 and 8 ordering a special election for electing a Council Member to the unexpired term of District 1; providing for the conduct of the election; providing a date for a run-off election; providing for a process to determine position of names on ballots; providing for locations of polling places; providing for early voting; providing for notice, publication, and posting of this order; and providing an effective date.

Council is requested to approve an ordinance ordering and providing notice of a General Election for the City of Garland to be held on the 1st day of May 2021.

13. Hold a Public Hearing for the Trails and Bikeways Master Plan

Staff is requesting to hear public input prior to formal Council consideration for adoption of the Plan. Unless otherwise directed by Council, this item will be considered for formal consideration at the February 16, 2021 Regular Meeting.

14. Hold a Public Hearing on the 2021 Proposed CIP

A public hearing will be held on the 2021 Proposed Capital Improvement Program (CIP). At the public hearing, all interested persons will be given the opportunity to be heard for or against the Proposed CIP Program. The 2021 Proposed CIP is available for public inspection in the City's libraries and the City Secretary's Office and has been on the City's website since January 13, 2021.

15. 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.

16. 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: 02/02/2021

Item Title: Minutes January 12 and January 19

Submitted By: Rene Dowl, City Secretary

Summary of Request/Problem

Consider approval of the minutes of the January 12 Regular Meeting and January 19 Special CIP Work Session.

Recommendation/Action Requested and Justification

Attachments

Minutes January 12

Minutes January 19

MINUTES

The City Council of the City of Garland convened in regular session at 7 p.m. on Tuesday, January 12, pursuant to Section 551.045, by telephone or internet in Garland, Texas, with the following members present:

Present:	Mayor Scott LeMay
	Mayor Pro Tem Jerry A. Nickerson
	Deputy Mayor Pro Tem Deborah Morris
	Council Member Ricky McNeal
	Council Member B. J. Williams
	Council Member Rich Aubin
	Council Member Robert Vera
	Council Member Dylan Hedrick
	Council Member Robert John Smith
Staff Present:	City Manager Bryan Bradford
	Deputy City Manager Mitch Bates
	Assistant City Manager John Baker
	Assistant City Manager Judson Rex
	City Attorney Brad Neighbor
	City Secretary Eloyce René Dowl

LEGISLATIVE PRAYER AND PLEDGE OF ALLEGIANCE

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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.

Motion was made by Deputy Mayor Pro Tem Deborah Morris, and seconded by Mayor Pro Tem Jerry A. Nickerson to approve the Consent Agenda as presented. Motion carried:

Vote: 9 - 0

1. APPROVED Consider approval of the minutes of the January 5, 2021 Regular Meeting.

2. Consider approval of the following bids:

a. APPROVED Polyurethane Foam Stabilization Services Bid No. 0368-21

URETEK USA, Inc. $2,000,000.00

This request is to provide polymer material injection services beneath settled concrete pavement slabs. This approval is for a Term Agreement with four optional renewals.

b. APPROVED Mini-Excavators **Bid No. 0360-21**

Caterpillar Inc. **$149,304.00**

This request is for the replacement purchase of two mini-excavators to be utilized by the Wastewater Department.

c. APPROVED Glenbrook Drive, Centerville Road to Carroll Drive and Glenbrook Court Paving, Water and Wastewater Utility Improvements and Centerville Sidewalk **Bid No. 0049-21**

Tri-Con Services, Inc. **$1,961,000.00**

This request is to provide paving, water, wastewater and drainage improvements on South Glenbrook Drive between Centerville Road and Carroll Drive and Glenbrook Court. Improvements also include sidewalks, ramps, irrigation, water and wastewater services, sodding and signs.

d. APPROVED Animal Shelter and Adoption Facility Construction **Bid No. 0492-20**

Hill & Wilkinson General Contractors **$11,117,990.00**

This request, Guaranteed Maximum Price (GMP) 2, is for the remainder of the construction of the new Animal Shelter and Adoption Fac*ility.*

e. APPROVED Holford Recreation Center and Neighborhood Aquatic Center Design Services **Bid No. 0370-21**

Brinkley Sargent Wiginton Architects **$2,816,149.00**

This request is to obtain professional services for the architectural programming, followed by architectural and engineering design services, for Holford Recreation and Neighborhood Aquatic Center.

f. APPROVED Walnut Creek Branch Library Design Services **Bid No. 0371-21**

VLK Architects, Inc. **$1,096,000.00**

This request is to obtain professional services for the architectural programming, library consulting and design services for the new Walnut Creek Branch Library.

g. **APPROVED** **GP&L College Road to Jupiter Road 138kV Transmission Line Structures** **Bid No. 0222-21**

Techline, Inc.	**$616,267.00**
Optional Contingency	**123,253.40**
TOTAL:	**$739,520.40**

This request is to provide transmission line structures needed for the replacement of a transmission line segment along College Road to Jupiter Road. An Optional Contingency is included for any additional materials that may be required.

h. **APPROVED** **GP&L College Road to Jupiter Road 138kV Transmission Line Materials** **Bid No. 0223-21**

Techline, Inc.	**$184,919.39**
Optional Contingency	**36,983.87**
TOTAL:	**$221,903.26**

This request is to provide construction materials needed for the replacement of a transmission line segment along the College Road to Jupiter Road transmission line. An Optional Contingency is included for any additional materials that may be required.

i. **APPROVED** **Traffic Signal Installation and Modernization** **Bid No. 0261-21**

Mel's Electric, LP **$1,223,432.25**

This request is to provide Traffic Signal Installation and Modernization Services on an as-needed basis. This approval is for a Term Agreement with four optional renewals.

3. **APPROVED** **Ordinance No. 7191** adopted concurrently with the cities of Bryan, Denton and Greenville approving the execution of the Texas Municipal Power Agency ("Agency") of an Asset Purchase Agreement for the sale of the Agency's Gibbons Creek Steam Electric Station and related assets in Grimes County, Texas; approving an Associated Decommissioning Budget Amendment; and providing an effective date.

In accordance with the Joint Operating Agreement between TMPA and its Member Cities of Bryan, Denton, Garland and Greenville, for the City Council’s consideration and approval is a concurrent ordinance with the cities of Bryan, Denton and Greenville for the execution of an asset purchase agreement for the sale of TMPA’s Gibbons Creek Steam Electric Station and related assets in Grimes County and approval of TMPA’s amendment to its FY2021 Generation Budget.

4. **APPROVED** **Ordinance No. 7192** authorizing an amendment to the 2020-21 Operating Budget (Budget Amendment No. 1); providing for supplemental appropriation of funds in the Electric Operating Fund; and providing an effective date.

At the January 11, 2021 Work Session, Council considered an amendment to the 2020-21 Adopted Budget. For Council's consideration is an ordinance amending the 2020-21 Adopted Budget to appropriate funds in the amount of $4,603,973 as a result of an increase in the Texas Municipal Power Agency's FY 2021 Generation Budget and its charges to the City.

5. **APPROVED** **Resolution No. 10468** establishing a Downtown Historic District Revitalization Grant Program; limiting the source of program funding; and providing an effective date.

At the November 16, 2020 Work Session, Council considered expanding the existing Downtown Historic District Façade Improvement Program to include general improvements, not limited to exteriors, of eligible commercial properties within the district. The expanded program also encourages business owner application with property owner consent and considers awning or sign replacement as eligible, stand-alone projects for reimbursement.

ITEMS FOR INDIVIDUAL CONSIDERATION

Speaker Regulations:

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6. **Presentation of 2021 Proposed CIP**

City Manager Bradford formally presented the 2021 Proposed Capital Improvement Program (CIP) for the City Council's review and deliberation.

7. **APPROVED** **Resolution No. 10469** of the City of Garland, Texas, authorizing the City Manager to enter into a Project Agreement with the State of Texas, acting through the Texas Parks and Wildlife Department ("Department"); and providing an effective date.

Council adopted a funding resolution and authorization to submit a grant application for the Local Park Grant Program from the Texas Parks and Wildlife Department in order to improve John Paul Jones Park and Chaha Boat Ramp.

Motion was made by Mayor Pro Tem Jerry A. Nickerson, and seconded by Council Member Robert John Smith to approve as presented, the Project Agreement with the Texas Parks and Wildlife Department. Motion carried:

Vote: 9 - 0

8. DENIED Zoning File No. Z 20-32, Ocean Star Metals, Inc. (District 6)

Consider an ordinance amending the Garland Development Code of the City of Garland, Texas, by approving 1) a Change in Zoning from Heavy Commercial (HC) District to Industrial (IN) District, 2) a Specific Use Provision to allow a Recycling Salvage Yard (Unlimited Outside Storage) Use, and 3) a Plan to allow a Recycling Salvage Yard (Unlimited Outside Storage) Use on a 0.947-acre tract of land located at 521, 523, and 525 Shepard 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.

The Council action for this item was to vote on the ordinance with the 20% rule remaining in effect, to approve or deny the item; it requires seven votes from the Council.

Speakers on this item were Judy Wang, applicant and Joyce Lindauer, applicant's attorney. Michael Hoerner was signed up to speak on this item, but did not speak; the Mayor read his opposing statement into the record.

There was discussion by the Council.

Motion to deny was made by Council Member Vera, seconded by Council Member Aubin. Motion failed:

Vote: 4 ayes (Deputy Mayor Pro Tem Morris and Council Members: Aubin, Vera and Smith), 5 nays (Mayor LeMay, Mayor Pro Tem Nickerson, Council Members: McNeal, Williams and Hedrick)

Motion to approve was made by Council Member Hedrick, seconded by Council Member Williams. Motion failed:

Vote: 5 ayes (Mayor LeMay, Mayor Pro Tem Nickerson, Council Members: McNeal, Williams and Hedrick), 4 nays (Deputy Mayor Pro Tem Morris and Council Members: Aubin, Vera and Smith)

9. Citizen comments: Joshua Garcia

10. Adjourn: There being no further business to come before the City Council, Mayor LeMay adjourned the meeting at 7:41 p.m.

Submitted By:

Scott LeMay, Mayor

Eloyce René Dowl, City Secretary

MINUTES

The City Council of the City of Garland convened in a special session for the Proposed 2021 CIP presentation at 6 p.m. on TuesdayJanuary 19, pursuant to Section 551.045, by telephone or internet in Garland, Texas, with the following members present:

Present:	Mayor Scott LeMay
	Mayor Pro Tem Jerry A. Nickerson
	Deputy Mayor Pro Tem Deborah Morris
	Council Member Ricky McNeal
	Council Member B. J. Williams
	Council Member Rich Aubin
	Council Member Robert Vera
	Council Member Dylan Hedrick
	Council Member Robert John Smith
Staff Present:	City Manager Bryan Bradford
	Deputy City Manager Mitch Bates
	Assistant City Manager John Baker
	Assistant City Manager Judson Rex
	City Attorney Brad Neighbor
	City Secretary Eloyce René Dowl

1. Consider the Adoption of a Legislative Agenda for 2021 (87th Session of the Texas Legislature).

The staff report was presented by Brad Neighbor, City Attorney and Laura De La Vega, Legislative Affairs Committee, Staff Liaison.

Council is requested to consider and adopt a Legislative Agenda as proposed by the Legislative Affairs Committee. The agenda is a statement of general principles regarding the City's interests in State legislative affairs and will provide guiding parameters relating to the City's interactions and efforts during the 87th Session of the Texas Legislature. A draft Legislative Agenda is attached.

Motion was made by Council Member Robert John Smith, and seconded by Council Member Rich Aubin to approve the Legislative Agenda as amended and presented. Motion carried:

Vote: 9 - 0

2. **2021 Proposed Capital Improvement Program (CIP) – Tax-Supported Staff Presentations.**

   Department presentations were provided for Council discussion. There was discussion and commentary by the City Council.

   Streets Funding Request
   Engineering & Drainage Funding Requests
   Transportation Funding Request
   Economic Development Funding Request
   Parks, Recreation & Cultural Arts Funding Request
   Library Funding Request
   Health/Animal Services Funding Request
   Police Funding Request
   Fire Funding Request

3. **Council Discussion and Questions Regarding 2021 Proposed CIP.**

   There was commentary by Council Member Aubin.

4. **Adjourn:** There being no further business to come before the City Council, Mayor LeMay adjourned the special session at 9:12 p.m.

Submitted By:

____
Scott LeMay, Mayor

____
Eloyce René Dowl, City Secretary

GARLAND
PURCHASING REPORT

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

Meeting Date: 02/02/2021
Item Title: Street Sweepers
Submitted By: Terry Anglin, Fleet Services Director
Bid Number: 0432-21

Purchase Justification:

This request is for the purchase of two (2) replacement street sweepers for the Stormwater Management Department.

Evaluation:

The street sweepers are available from Freightliner of Austin through the TIPS Purchasing Cooperative Contract 200-206.

Award Recommendation:

Vendor	***Item***	***Amount***
Freightliner of Austin	All	$517,768.00
	TOTAL:	**$517,768.00**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 44736

Fiscal Impact

Total Project/Account: $578,200
Expended/Encumbered to Date: 0
Balance: $578,200
This Item: 517,768
Proposed Balance: $60,432
Account #: 261-4611-9007
Fund/Dept/Project – Description and Comments:

Line 1 - $271,813.00 - Replaces Unit 460-0133
Line 2 - 245,955.00 - Replaces Unit 460-0134
Total $517,768.00

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	Operating Budget
Fiscal Year:	2020-21
Document Location:	Oper. Budget - Page 262

Budget Director Approval:	Ron Young	Approval Date: 01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date: 01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: N/A
REQ. NO. PR 44736
BID NO. 0432-21
PAGE: 1 of 1
BUYER: Teresa 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.	2022 Freightliner M2-106 chassis	$271,813.00	$271,813.00						
			to include Stewart-Amos Starfire								
			S-4XL fontaine dual sit down								
			steer conversion, body provided								
			by Texas Municipal Equipment								
1	1	ea.	2022 Freightliner M2-106 chassis	$245,955.00	$245,955.00						
			to include Stewart-Amos Galaxy								
			R-6XL fontaine dual sit down								
			steer conversion, body provided								
			by Texas Municipal Equipment.								
			TOTAL GROSS PRICE		$517,768.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$517,768.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: n/a
LOW: n/a
SAVINGS: n/a

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: 02/02/2021
Item Title: Water & Wastewater Operations Building Architectural Services
Submitted By: Ginny Holliday, Facilities Management Director
Bid Number: 0417-21

Purchase Justification:

This request is to obtain professional architectural services for the design of a new Water & Wastewater Operations Building. The building will be constructed on the Forest Lane site just north of the Police Property and Evidence Building.

Evaluation:

MPI Architects was selected as the Most Qualified firm for this project from RFQ 0484-17.

Award Recommendation:

Vendor	***Item***	***Amount***
MPI Architects	All	$679,100.00
	TOTAL:	**$679,100.00**

Basis for Award: Most Qualified
Purchase Requisition #: 44712

Fiscal Impact

Total Project/Account:	$868,000
Expended/Encumbered to Date:	260,216
Balance:	$607,784
This Item:	679,100
Proposed Balance:	$(71,316) *
Account #:	220-4049-3023800-7101 & 230-4149-3218800-7101

Fund/Dept/Project – Description and Comments:

Fund / Project	**Amount**
Water CIP / Field Operations Center	$339,550
Wastewater CIP / Field Operations Center	339,550
Total	$679,100

* This project will continue into 2021, and additional funding in the amount of $5,770,000 has been requested in the 2021 Proposed CIP.

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	CIP		
Fiscal Year:	2020		
Document Location:	Pages 235 and 259		
Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED:
REQ. NO. **PR 44712**
BID NO. **0417-21**
PAGE: **1 of 1**
BUYER: **D. Gamero**

ITEM	QTY	UNIT	DESCRIPTION	MPI Architects UNIT PRICE	MPI Architects TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	ea	1	Water & Wastewater Operations	$679,100.00	$679,100.00						
			Building Architectural Services								
			TOTAL GROSS PRICE		$679,100.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$679,100.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

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

IonWave Notifications
IonWave HUBS
Direct Contact HUBS
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. c.**

Meeting Date: 02/02/2021
Item Title: Sanitary Sewer Manhole Rehabilitation on Bardfield Drive
Submitted By: Wes Kucera, Managing Director
Bid Number: 0339-21

Purchase Justification:

This request is to provide rehabilitation of twenty-nine (29) sanitary sewer manholes located on Bardfield Drive. The spray-on modified polymer coating will protect against further deterioration from hydrogen sulfide gases.

Evaluation:

The rehabilitation is being provided by Insituform Technologies, LLC, through the BuyBoard Purchasing Cooperative Contract 555-18.

Award Recommendation:

Vendor	Item	Amount
Insituform Technologies, LLC	All	$127,495.25
	TOTAL:	**$127,495.25**

Basis for Award: Cooperative Purchase
Purchase Requisition #: 44686

Fiscal Impact

Total Project/Account: $1,480,000
Expended/Encumbered to Date: 630,807
Balance: $849,193
This Item: 127,495
Proposed Balance: $721,698
Account #: 230-4149-3214700-9301
Fund/Dept/Project – Description and Comments:

Wastewater CIP / Sewer Collection Mains - Manholes

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2020
Document Location:	Page 246

Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: 01/18/21
REQ. NO. PR 44686
BID NO. 0339-21
PAGE: 1 of 1
BUYER: L. Segura

ITEM	QTY	UNIT	DESCRIPTION	Insituform Technologies, LLC. UNIT PRICE	Insituform Technologies, LLC. TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	ea	Sanitary Sewer Manhole Rehabilitation on Bard Drive		$127,495.25						
			TOTAL GROSS PRICE		$127,495.25						
			CASH DISCOUNT								
			TOTAL NET PRICE		$127,495.25						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: n/a
LOW: n/a
SAVINGS: n/a

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: 02/02/2021
Item Title: 5.0 MG Lavon Groundwater Storage Tank Rehabilitation
Submitted By: Wes Kucera, Managing Director
Bid Number: 0153-21

Purchase Justification:

This request is to provide rehabilitation to the 5.0 MG Lavon groundwater storage tank. Rehabilitation of the tank includes: clean the entire interior and exterior surface of the concrete tank wall and dome, perform incidental patching and remedial work and apply a base coat of a cementitious waterproofing and a top coat of a high-performance architectural coating to seal the surfaces, remove and replace the existing vent with new fiberglass vent and corrosion-resistant screen, including the hatch cover and frame, install new handrail system around the existing roof hatch after modification and remove and replace interior 12” overflow and 30” inlet piping with new epoxy-coated ductile iron pipe. 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 (4) bids were received and evaluated based on published criteria. DN Tanks, Inc., received the highest evaluated score, offering the Best Value for the City.

Award Recommendation:

Vendor	***Item***	***Amount***
DN Tanks, Inc.	All	$783,000.00
Optional Contingency		78,300.00

	TOTAL:	**$861,300.00**

Basis for Award: Best Value
Purchase Requisition #: 44449

Fiscal Impact

Total Project/Account: $781,000

Expended/Encumbered to Date: 16,128
Balance: $764,872
This Item: 861,300
Proposed Balance: $(96,428) *
Account #: 220-4049-3024300-9007
Fund/Dept/Project – Description and Comments:
Water CIP / Lavon Pump Station Ground Storage Take Rehab

* This project will continue into 2021, and additional funding in the amount of $155,000 has been requested in the 2021 Proposed CIP.

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2020
Document Location:	Page 238

Budget Director Approval:	Ron Young	Approval Date: 01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date: 01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: 12/01/2021
REQ. NO 44449
BID NO 0153-21
PAGE: 1 of 1
BUYER: L. Segura

ITEM	QTY	UNIT	DESCRIPTION	DN Tanks, Inc. UNIT PRICE	DN Tanks, Inc. TOTAL	TMI Coating, Inc. UNIT PRICE	TMI Coating, Inc. TOTAL	J.R. Stelzer Co. UNIT PRICE	J.R. Stelzer Co. TOTAL	N.G. Painting UNIT PRICE	N.G. Painting TOTAL
			Bid Price for Evaluation		$783,000.00		$937,400.00		$730,148.00		$1,027,400.00
			Evaluation Criteria:								
			Price	Maximum = 35	33.00		27.00		35.00		25.00
			Warranty	Maximum = 5	5.00		0.00		0.00		0.00
			Methodology	Maximum = 20	20.00		15.00		0.00		0.00
			Experience & Qualifications	Maximum = 30	30.00		20.00		20.00		20.00
			Schedule	Maximum = 10	10.00		10.00		5.00		5.00
			Total Score:	Maximum = 100	98.00		72.00		60.00		50.00

	DN Tanks, Inc.	TMI Coating, Inc.	J.R. Stelzer Co.	N.G. Painting
TOTAL GROSS PRICE	$783,000.00	$937,400.00	$730,148.00	$1,027,400.00
CASH DISCOUNT				
TOTAL NET PRICE	$783,000.00	$937,400.00	$730,148.00	$1,027,400.00
F.O.B.	DELIVERED	DELIVERED	DELIVERED	DELIVERED
DELIVERY				

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

1142 # IonWave Notifications
174 # IonWave HUBS
n/a # 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. e.**

Meeting Date: 02/02/2021
Item Title: Lyons Road Alignment Study Services
Submitted By: Rick Galceran, Capital Project Management Director
Bid Number: 0420-21

Purchase Justification:

This request is to obtain professional services for an alignment study of Lyons Road from I.H. 30 to Guthrie Road. The services include preliminary design services, surveys, geotechnical, subsurface utility engineering and flood study services. This project is part of the 2019 Bond Program and approved in the 2020 CIP.

Evaluation:

Criado & Associates, Inc., was selected as the Most Qualified firm for this project from RFQ 0212-19.

Award Recommendation:

Vendor	***Item***	***Amount***
Criado & Associates, Inc.	All	$276,450.00
	TOTAL:	**$276,450.00**

Basis for Award: Most Qualified
Purchase Requisition #: 44818

Fiscal Impact

Total Project/Account:	$1,028,810
Expended/Encumbered to Date:	70,706
Balance:	$958,104
This Item:	276,450
Proposed Balance:	$681,654

Account #: 651-1429-1431919-710120, 220-4049-3019200-7101, 230-4149-3215700-7101

Fund/Dept/Project – Description and Comments:

Street/Transportation / Lyons Road - I.H. 30 to Guthrie Road	651-1429-1431919-710120	$267,640
Water / Relocation of Mains Prior to Paving	220-4049-3019200-7101	4,405
Wastewater / Relocation of Mains Prior to Paving	230-4149-3215700-7101	4,405
Total		**$276,450**

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	CIP		
Fiscal Year:	2020		
Document Location:	CIP - Pages 106, 223, and 251		
Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED:
REQ. NO. PR 44818
BID NO. 0420-21
PAGE: 1 of 1
BUYER: D. Gamero

ITEM	QTY	UNIT	DESCRIPTION	Criado & Associates, Inc UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	ea	1	Lyons Road Alignment Study Services	$276,450.00	$276,450.00						
			TOTAL GROSS PRICE		$276,450.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$276,450.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

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

IonWave Notifications
IonWave HUBS
Direct Contact HUBS
HUBS Responded

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GARLAND
PURCHASING REPORT

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

Meeting Date: 02/02/2021
Item Title: Peripheral Equipment for Police Patrol Vehicles
Submitted By: Steven Niekamp, Chief Information Officer
Bid Number: 0422-21

Purchase Justification:

This request is to purchase the equipment necessary to upfit the new Police Department Chevrolet Tahoes to make them fully functioning patrol vehicles.

Evaluation:

The equipment is being provided by the following vendors: GT Distributors, Inc., through the BuyBoard Cooperative Purchasing Contract 603-20; Plastix Plus, LLC, as a Sole Source; Kustom Signals, Inc., through the Houston-Galveston Area Council (HGAC) Cooperative Purchasing Contract EF04-19; Stop Stick, Ltd., through the General Services Administration (GSA) Contract 47QSWA19D0035; PVP Communications as a Sole Source; and Stalker Radar, Inc., through the BuyBoard Cooperative Purchasing Contract 608-20. AgendaQuick does not support selecting multiple Bases for Award, but a majority of the equipment is being purchased through Cooperative Purchasing Agreements.

Award Recommendation:

Vendor	Item	Amount
GT Distributors, Inc.		$234,432.55
Plastix Plus, LLC		76,545.00
Kustom Signals, Inc.		31,228.91
Stop Stick, Ltd.		12,249.63
PVP Communications		4,389.00
Stalker Radar, Inc.		3,505.00

	TOTAL:	$362,350.09

Basis for Award: Cooperative Purchase
Purchase Requisition #: 44785

Fiscal Impact

Total Project/Account:	$2,161,435
Expended/Encumbered to Date:	1,403,793
Balance:	$757,642
This Item:	362,350
Proposed Balance:	$395,292
Account #:	444-1245-9007

Fund/Dept/Project – Description and Comments:

Equipment Replacement Fund / Police Department

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	Operating Budget
Fiscal Year:	2020-21
Document Location:	Oper. Budget - Page 275

Budget Director Approval:	Ron Young	Approval Date: 01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date: 01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: N/A
REQ. NO. Various
BID NO. 0422-21
PAGE: 1 of 1
BUYER: J. Wilson

ITEM	QTY	UNIT	DESCRIPTION	GT Distributors, Inc. UNIT PRICE	GT Distributors, Inc. TOTAL	Plastix Plus, LLC UNIT PRICE	Plastix Plus, LLC TOTAL	Kustom Signal, Inc. UNIT PRICE	Kustom Signal, Inc. TOTAL
1	1	Lt	Brackets, mounts, lights and speakers	$234,432.55	$234,432.55				
2	1	Lt.	Tahoe consoles			$76,545.00	$76,545.00		
3	1	Lt.	Raptor RP-1, Dual K-Band Antenna, Directional and Same Lane Mode					$31,228.91	$31,228.91
4	1	Lt.	9' Stop Stick Rack Kit - Red						
5	1	Lt.	Helmet Kit with wireless system, Speakermic with wireless sytem, Motor interface						
6	1	Lt.	Dual 2Ka Compact Display, 2015-17 BCW 1200RT-P Mot						
			TOTAL GROSS PRICE		$234,432.55		$105,375.00		$15,554.30
			CASH DISCOUNT						
			TOTAL NET PRICE		$234,432.55		$105,375.00		$15,554.30
			F.O.B.	DELIVERED		DELIVERED		DELIVERED	
			DELIVERY						

ITEM	QTY	UNIT	DESCRIPTION	Stop Stick, LTD UNIT PRICE	Stop Stick, LTD TOTAL	PVP Communications UNIT PRICE	PVP Communications TOTAL	Stalker Radar, Inc. UNIT PRICE	Stalker Radar, Inc. TOTAL
1	1	Lt	Brackets, mounts, lights and speakers						
2	1	Lt.	Tahoe consoles						
3	1	Lt.	Raptor RP-1, Dual K-Band Antenna, Directional and Same Lane Mode						
4	1	Lt.	9' Stop Stick Rack Kit - Red	$12,249.63	$12,249.63				
5	1	Lt.	Helmet Kit with wireless system, Speakermic with wireless sytem, Motor interface			$4,389.00	$4,389.00		
6	1	Lt.	Dual 2Ka Compact Display, 2015-17 BCW 1200RT-P Mot					$3,505.00	$3,505.00
			TOTAL GROSS PRICE		$8,361.28		$8,361.28		$8,361.28
			CASH DISCOUNT						
			TOTAL NET PRICE		$8,361.28		$8,361.28		$8,361.28
			F.O.B.	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. g.**

Meeting Date: 02/02/2021
Item Title: Upgrade of Police Department E911 Equipment
Submitted By: Steven Niekamp, Chief Information Officer
Bid Number: 0424-21

Purchase Justification:

The Garland Police Department's current Public Safety Answering Point E911 equipment has been placed on product discontinuation notice and will, therefore, be at end-of-life. The new system will meet current technology requirements and provide improved capabilities for the Police Department and the citizens of Garland. The equipment required will be a hardware and software technology refresh for the current E911 system.

Evaluation:

Vesta Solutions, Inc., is the Sole Source provider for the E911 hardware and software.

Award Recommendation:

Vendor	***Item***	***Amount***
Vesta Solutions, Inc.	All	$320,439.84
	TOTAL:	**$320,439.84**

Basis for Award: Sole Source
Purchase Requisition #: 44816

Fiscal Impact

Total Project/Account: $320,440
Expended/Encumbered to Date: 0
Balance: $320,440
This Item: 320,440
Proposed Balance: $0
Account #: 415-4599-2341720-9029, 100-1232-7111, 100-1231-7111
Fund/Dept/Project – Description and Comments:

Funding Source	Amount
IT Project Fund / 911 Hardware Refresh *	$300,541
General Fund / Police Operations	19,899
Total	$320,440

* Funding for this project in the amount of $250,000 was approved in the IT Project Fund as part of the FY 2019-20 Operating Budget. Additional funding of $50,541 will be included on FY 2020-21 Budget Amendment No. 2. Of this amount, $25,000 is contingency funding for this specific project and $25,541 is available due to savings from closed projects.

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	Operating Budget
Fiscal Year:	2020-21
Document Location:	Oper. Budget - Pages 68 and 317

Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED:
REQ. NO. PR 44816
BID NO. 0424-21
PAGE: 1 of 1
BUYER: J. Wilson

ITEM	QTY	UNIT	DESCRIPTION	Vesta Solutions, Inc. UNIT PRICE	Vesta Solutions, Inc. TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	ea	1	Upgrade of Police Department E911 Equipment	$320,439.84	$320,439.84						
			TOTAL GROSS PRICE		$320,439.84						
			CASH DISCOUNT								
			TOTAL NET PRICE		$320,439.84						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

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

IonWave Notifications
IonWave HUBS
Direct Contact HUBS
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. h.**

Meeting Date: 02/02/2021
Item Title: TMPA Keith Switch to Steep Hollow Transmission Line Rebuild Materials
Submitted By: Steve Martin, Transmission Director
Bid Number: 0003-21

Purchase Justification:

This request is for the purchase of two (2) steel dead-end structures and 105 concrete structures with associated materials for the TMPA Keith Switch to Steep Hollow Transmission Line Rebuild CIP project. This is a TMPA expense and will be reimbursed at 100%.

Evaluation:

A request for bids was issued in accordance with Purchasing procedures. Three (3) bids were received and evaluated with Texas Electric Cooperatives, Inc., submitting the Straight Low Bid.

Award Recommendation:

Vendor	***Item***	***Amount***
Texas Electric Cooperatives, Inc.	All	$1,487,075.00
	TOTAL:	**$1,487,075.00**

Basis for Award: Straight Low Bid
Purchase Requisition #: 44228

Fiscal Impact

Total Project/Account:	$12,800,000
Expended/Encumbered to Date:	387,955
Balance:	$12,412,045
This Item:	1,487,075
Proposed Balance:	$10,924,970
Account #:	215-3542-3127101-6051

Fund/Dept/Project – Description and Comments:

Electric CIP / TMPA Transmission Lines Program

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	CIP		
Fiscal Year:	2020		
Document Location:	CIP - Page 275		
Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: October 22, 2020
REQ. NO. PR 44228
BID NO. 0003-21
PAGE: 1 of 1
BUYER: Teresa Smith

ITEM	QTY	UNIT	DESCRIPTION	Texas Electric Cooperatives, Inc. UNIT PRICE	TOTAL	Grid Structures UNIT PRICE	TOTAL	Klute Inc. Steel Fabrication . UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	Lt.	Concrete Poles		$1,393,076.00		No Bid		No Bid		
2	1	Lt.	Steel Dead End Structures		$93,999.00		$101,162.00		$110,779.39		
			TOTAL GROSS PRICE		$1,487,075.00		$101,162.00		$110,779.39		
			CASH DISCOUNT								
			TOTAL NET PRICE		$1,487,075.00		$101,162.00		$110,779.39		
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: n/a
LOW: n/a
SAVINGS: n/a

226 # IonWave Notifications
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. i.**

Meeting Date: 02/02/2021
Item Title: Playground Replacement Program - Package 1 Construction
Submitted By: Rick Galceran, Capital Project Management Director
Bid Number: 1106-20

Purchase Justification:

This request is for site improvement construction for the nine (9) playgrounds in Package 1 of the Playground Replacement Program. Future items will be brought to the City Council for consideration and approval for the balance of the playground projects.

Evaluation:

A request for proposals for Construction Manager at Risk (CMAR) services was issued in accordance with Purchasing procedures. Three (3) proposals were received and evaluated based on the published criteria. Dean Construction received the highest evaluated score, offering the Best Value for the City. They have submitted a Guaranteed Maximum Price of $1,179,978.

Award Recommendation:

Vendor	***Item***	***Amount***
Dean Construction	All	$1,179,978.00
	TOTAL:	**$1,179,978.00**

Basis for Award: Best Value
Purchase Requisition #: 44834

Fiscal Impact

Total Project/Account:	$3,045,274 *
Expended/Encumbered to Date:	1,865,296
Balance:	$1,179,978
This Item:	1,179,978

Proposed Balance: $0

Account #: Various

Fund/Dept/Project – Description and Comments:

Playground Replacement Program

Hall Park Playground	654-1429-1838619-9002	$ 215,695
Huff Park Playground	654-1429-1838719-9002	149,057
Douglas Park Playground	654-1429-1839419-9002	88,993
Oaks Branch Park Playground	654-1429-1838819-9002	101,158
Duck Creek Greenbelt Playground	654-1429-1839819-9002	115,155
Dorfman Park Playground	654-1429-1839019-9002	104,835
Bisby Park Playground	654-1429-1839219-9002	120,970
Grissom Park Playground	654-1429-1839519-9002	89,845
White Park Playground	654-1429-1839619-9002	76,270
Playground Replacement Program	654-1429-1838519-9002	118,000
	TOTAL	**$1,179,978**

* Construction at the various Playground Replacement Program locations will occur in 2021, and additional 2019 Bond funding for the continuation of the Playground Replacement Program is included in 2021.

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	CIP		
Fiscal Year:	2020		
Document Location:	CIP - Page 80		
Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: 08/12/2020
REQ. NO PR 44834
BID NO 1106-20
PAGE: 1 of 1
BUYER: J. Wilson

ITEM	QTY	UNIT	DESCRIPTION	Dean Construction UNIT PRICE	Dean Construction TOTAL	AUI Partners, LLC UNIT PRICE	AUI Partners, LLC TOTAL	MSB Constructors, Inc. UNIT PRICE	MSB Constructors, Inc. TOTAL	UNIT PRICE	TOTAL
			GMP1 Playground Replacement		$11,117,990.00						
			Evaluation Criteria:								
			General Information	Maximum = 0	0.00		0.00		0.00		
			Experience of Firm	Maximum = 15	13.75		13.25		10.25		
			Pre-Construction Services	Maximum = 20	18.25		17.00		12.00		
			Construction Services	Maximum = 25	20.00		20.75		13.00		
			Post-Construction Services	Maximum = 5	5.00		5.00		3.75		
			Respondents Fee Proposal	Maximum = 10	10.00		6.46		3.85		
			Past Client References	Maximum = 10	10.00		10.00		8.40		
			Total Points	Maximum = 110	77.00		72.46		51.25		
			TOTAL GROSS PRICE	$11,117,990.00							
			CASH DISCOUNT								
			TOTAL NET PRICE	$11,117,990.00							
			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. j.**

Meeting Date: 02/02/2021

Item Title: TMPA Ben Davis to Royse SW 345kV Transmission Line Tower Replacement Engineering Services

Submitted By: Steve Martin, Transmission Director

Bid Number: 0434-21

Purchase Justification:

This request is to obtain electrical, civil and design engineering services to mitigate erosion on transmission structure 2/5 on the existing TMPA Royse to Ben Davis 345kV Transmission Line. The erosion is being caused by a flowing stream at the structure site. This is part of the approved TMPA Ben Davis-Royse Transmission Line Tower Replacement CIP project and will be reimbursed at 100%.

Evaluation:

Black & Veatch was selected as the Most Qualified firm for this project from RFQ 0753-19.

Award Recommendation:

Vendor	***Item***	***Amount***
Black & Veatch	All	$205,481.00
	TOTAL:	**$205,481.00**

Basis for Award: Most Qualified

Purchase Requisition #: 44795

Fiscal Impact

Total Project/Account:	$2,200,000
Expended/Encumbered to Date:	0
Balance:	$2,200,000
This Item:	205,481
Proposed Balance:	$1,994,519

Account #: 215-3542-3127701-7111

Fund/Dept/Project – Description and Comments:

Electric CIP / TMPA Transmission Lines Program

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	CIP
Fiscal Year:	2020
Document Location:	CIP - Page 275

Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED:
REQ. NO. **PR 44795**
BID NO. **0417-21**
PAGE: **1 of 1**
BUYER: **D. Gamero**

ITEM	QTY	UNIT	DESCRIPTION	Black & Veatch UNIT PRICE	Black & Veatch TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	ea	1	TMPA Ben Davis to Royse SW 345kV Transmission Line Tower Replacement Engineering Services	$205,481.00	$205,481.00						
			TOTAL GROSS PRICE		$205,481.00						
			CASH DISCOUNT								
			TOTAL NET PRICE		$205,481.00						
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

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

IonWave Notifications
IonWave HUBS
Direct Contact HUBS
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. k.**

Meeting Date: 02/02/2021

Item Title: GP&L Overhead Distribution Line Relocations for TxDOT

Submitted By: Jonas Whitehead, Distribution Director

Bid Number: 0281-21

Purchase Justification:

This request is to provide labor and equipment needed to relocate GP&L overhead facilities to eliminate conflicts with the Texas Department of Transportation (TxDOT) widening of I.H. 635. This is part of the TxDOT I.H. 635 Road Widening project and will be reimbursed by TxDOT at 100%. 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. Three (3) bids were received. Sayers Construction was considered nonresponsive due to discrepancies in their bid response documents. The other two (2) responses were evaluated based on the published criteria. JW Powerline received the highest evaluated score, offering the Best Value for the City.

Award Recommendation:

Vendor	***Item***	***Amount***
JW Powerline	All	$673,283.84
Optional Contingency		30,000.00
	TOTAL:	**$703,283.84**

Basis for Award: Best Value

Purchase Requisition #: 44602

Fiscal Impact

Total Project/Account:	$1,050,430
Expended/Encumbered to Date:	264,088
Balance:	$786,342
This Item:	703,284

Proposed Balance:	$83,058
Account #:	215-3299-3149501-7111

Fund/Dept/Project – Description and Comments:

Electric CIP / TxDOT Distribution Lines - Overhead Program

Attachments

Bid Recap

Fiscal Reference:			
Budget Type:	CIP		
Fiscal Year:	2020		
Document Location:	CIP - Page 278		
Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: December 17, 2020
REQ. NO. PR 44602
BID NO. 0281-21
PAGE: 1 of 1
BUYER: Teresa Smith

ITEM	QTY	UNIT	DESCRIPTION	JW Powerline UNIT PRICE	JW Powerline TOTAL	Utility Construction Services, LLC UNIT PRICE	Utility Construction Services, LLC TOTAL	Sayers Construction . UNIT PRICE	Sayers Construction . TOTAL	UNIT PRICE	TOTAL
			Pricing for Evaluation		$673,283.84		$607,290.63		$607,110.44		
									Non-Responsive		
			Evaluation Criteria:								
			Price	Maximum=40	36.10		40.00				
			Experience	Maximum=30	15.00		15.00				
			Safety	Maximum=25	25.00		19.80				
			Pre-Bid Conference Attendance	Maximum=5	5.00		5.00				
			Total	Maximum=100	81.10		79.80				
			TOTAL GROSS PRICE		$673,283.84		$607,290.63				
			CASH DISCOUNT								
			TOTAL NET PRICE		$673,283.84		$607,290.63				
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW:
LOW:
SAVINGS:

233 # IonWave Notifications
IonWave HUBS
13 # 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. <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. I.**

Meeting Date: 02/02/2021
Item Title: Switchgears for Warehouse Inventory
Submitted By: Gary Holcomb, Purchasing Director
Bid Number: 0219-21

Purchase Justification:

This request is to purchase six (6) switchgears for Warehouse inventory. These items will be used to support GP&L's construction and maintenance operations.

Evaluation:

A request for bids was issued in accordance with Purchasing procedures. Four (4) bids were received and evaluated. Anixter, Inc., and Techline, Inc., quoted unapproved alternates and are, therefore, nonresponsive. Texas Electric Cooperatives provided the Lowest Responsible Bid meeting all requirements of the specifications.

Award Recommendation:

Vendor	***Item***	***Amount***
Texas Electric Cooperatives	All	$108,132.00
	TOTAL:	**$108,132.00**

Basis for Award: Lowest Responsible Bid
Purchase Requisition #: 44533

Fiscal Impact

Total Project/Account:	N/A
Expended/Encumbered to Date:	N/A
Balance:	N/A
This Item:	$108,132
Proposed Balance:	N/A
Account #:	451-1300

Fund/Dept/Project – Description and Comments:

These are Warehouse inventory items that will be issued to the appropriate Electric Substations Upgrades CIP accounts and Electric Utility Fund operating accounts as removed from inventory.

Attachments

Bid Recap

Fiscal Reference:	
Budget Type:	Operating Budget CIP
Fiscal Year:	2020-21
Document Location:	Oper. Budget - Page 233 and 2020 CIP - Page 281

Budget Director Approval:	Ron Young	Approval Date:	01/22/2021
Purchasing Director Approval:	Gary L. Holcomb	Approval Date:	01/21/2021

CITY OF GARLAND - BID RECAP SHEET
OPENED: 12/032020
REQ. NO. 44533
BID NO. 0219-21
PAGE: 1 of 1
BUYER: L. Segura

ITEM	QTY	UNIT	DESCRIPTION	Texas Electric Cooperatives, Inc. UNIT PRICE	TOTAL	KBS Electrical Distributors, Inc. UNIT PRICE	TOTAL	Anixter, Inc. UNIT PRICE	TOTAL	Techline, Inc. UNIT PRICE	TOTAL
1	6	EA	Switchgears for Warehouse	$18,022.00	$108,132.00	$19,050.00	$114,300.00	$16,758.00	$100,548.00	$16,940.00	$101,640.00
			Inventory					Non-Responsive		Non-Responsive	
			TOTAL GROSS PRICE		$108,132.00		$114,300.00		$100,548.00		$101,640.00
			CASH DISCOUNT								
			TOTAL NET PRICE		$108,132.00		$114,300.00		$100,548.00		$101,640.00
			F.O.B.	DELIVERED		DELIVERED		DELIVERED		DELIVERED	
			DELIVERY								

NEXT LOW: n/a
LOW: n/a
SAVINGS: n/a

242 # IonWave Notifications
27 # IonWave HUBS
10 # 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

CITY COUNCIL ITEM SUMMARY SHEET

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

Meeting Date: 02/02/2021

Item Title: Z 19-27 Kimley-Horn and Associates, Inc. (District 5)

Submitted By: Nabiha Ahmed, Development Planner

Summary of Request/Problem

This zoning case was approved by the City Council on September 15, 2020, with the condition that the repair service bay doors may not be located on the south side of the building. The applicant has revised the plans to meet this condition.

Recommendation/Action Requested and Justification

Consider adoption of the attached ordinance.

Attachments

Z 19-27 Ordinance

Z 19-27 Exhibit A

Z 19-27 Exhibit B

Z 19-27 Exhibits C-E

ZONING FILE NO. Z 19-27

ORDINANCE NO. ____

AN ORDINANCE AMENDING THE GARLAND DEVELOPMENT CODE OF THE CITY OF GARLAND, TEXAS, BY APPROVING 1) A CHANGE IN ZONING FROM PLANNED DEVELOPMENT (PD) DISTRICT 93-11 TO A PLANNED DEVELOPMENT (PD) DISTRICT FOR INDUSTRIAL (IN) USES AND 2) A DETAIL PLAN FOR A TRUCK/BUS REPAIR USE ON A 9.615-ACRE TRACT OF LAND ZONED PLANNED DEVELOPMENT (PD) DISTRICT 93-11 AND LOCATED AT 2700-2816 MCCREE 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 SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at its regular meeting held on the 24th day of August, 2020, the Plan Commission did consider and make recommendations on a certain request for approval of 1) a Change in Zoning from Planned Development (PD) District 93-11 to a Planned Development (PD) District for Industrial (IN) Uses and 2) a Detail Plan for a Truck/Bus Repair Use made by **KIMLEY-HORN AND ASSOCIATES, 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 of 1) a Change in Zoning from Planned Development (PD) District 93-11 to a Planned Development (PD) District for Industrial (IN) Uses and 2) a Detail Plan for a Truck/Bus Repair Use 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.

ZONING FILE NO. Z 19-27

Section 7

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

PASSED AND APPROVED this ________day of_____________, 2021.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

Published:

EXHIBIT A

LEGAL DESCRIPTION

Zoning File Z 19-27

BEING A CALLED 9.615 ACRE TRACT OF LAND SITUATED IN THE W. W. KEEN SURVEY, ABSTRACT NO. 740, DALLAS COUNTY, TEXAS, AND BEING A PORTION OF LOT 1, BLOCK 1 MORGAN ADDITION NO. 1, AN ADDITION TO THE CITY OF GARLAND, DALLAS COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 79172, PAGE 3116, MAP RECORDS, DALLAS COUNTY, TEXAS AND BEING A PORTION OF LOT 1 AND LOT 2, BLOCK 1 MORGAN ADDITION NO. 2, AN ADDITION TO THE CITY OF GARLAND, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 80097, PAGE 1361, MAP RECORDS, DALLAS COUNTY, TEXAS ALL TOGETHER BEING DESCRIBED BY THE METES AND BOUNDS DESCRIPTION TO FOLLOW:

BEGINNING AT THE NORTHEAST CORNER OF LOT 1, BLOCK 1 OF SAID MORGAN ADDITION NO. 2, SAID POINT BEING LOCATED ON THE SOUTH RIGHT-OF-WAY LINE OF MCCREE ROAD (A 50' PUBLIC R.O.W.), BEING MARKED BY A FOUND 3" ALUMINUM DISK STAMPED "CITY OF GARLAND";

THENCE ALONG THE EAST BOUNDARY LINE OF SAID LOT 1, BLOCK 1 THE FOLLOWING TWO (2) COURSES:

1) S01°03'34"E A DISTANCE OF 425.05' TO THE NORTHWEST CORNER OF A CALLED 3.980 ACRE TRACT OF LAND DESCRIBED AS TRACT 3 IN DEED TO SIX SAC SELF-STORAGE CORPORATION, AS RECORDED IN VOLUME 99007, PAGE 05030, D.R.D.C.T., FROM WHICH A FOUND 5/8" REBAR FOR WITNESS BEARS N88°46'54"E A DISTANCE OF 1.46';

2) S01°03'34"E A DISTANCE OF 233.41' TO THE SOUTHEAST CORNER OF SAID LOT 1, BLOCK 1 ALSO BEING THE SOUTHWEST

CORNER OF SAID 3.980 ACRE TRACT SAID POINT BEING LOCATED ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF IH 635 (A VARIABLE WIDTH PUBLIC R.O.W.) FROM WHICH A FOUND 1/2" REBAR FOR WITNESS BEARS S70°00'24"E A DISTANCE OF 1.79';

THENCE ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE THE FOLLOWING THIRTEEN (13) COURSES:

1) N69°53'49"W ALONG THE SOUTH LOT LINE OF SAID LOT 1, BLOCK 1 A DISTANCE OF 19.58';

2) NORTHWESTERLY DEPARTING SAID SOUTH LOT LINE AND OVER AND ACROSS SAID LOT 1, BLOCK 1, ALONG A CURVE TURNING TO THE LEFT HAVING A RADIUS OF 3915.17', WITH AN ARC LENGTH OF 358.42', BEING SUBTENDED BY A CHORD BEARING OF N61°44'37"W, WITH A CHORD LENGTH OF 358.30', TO A POINT ON THE COMMON LOT LINE BETWEEN SAID LOT 1, BLOCK 1 AND LOT 2, BLOCK 1 OF SAID MORGAN ADDITION NO. 2 FROM WHICH THE COMMON CORNER FOR THE SOUTHWEST CORNER OF SAID LOT 1, BLOCK 1 AND THE SOUTHEAST CORNER OF SAID LOT 2, BLOCK 1 BEARS S01°01'34"E A DISTANCE OF 54.47';

3) NORTHWESTERLY DEPARTING SAID COMMON LOT LINE AND OVER AND ACROSS SAID LOT 2, BLOCK 1, ALONG A COMPOUND CURVE TURNING TO THE LEFT HAVING A RADIUS OF 3917.00', WITH AN ARC LENGTH OF 98.76', BEING SUBTENDED BY A CHORD BEARING OF N65°05'16"W, WITH A CHORD LENGTH OF 98.76';

4) NORTHWESTERLY CONTINUING OVER AND ACROSS SAID LOT 2, BLOCK 1, ALONG A COMPOUND CURVE TURNING TO THE LEFT HAVING A RADIUS OF 3917.00', WITH AN ARC LENGTH OF 233.88', BEING SUBTENDED BY A CHORD BEARING OF N66°28'18"W, WITH A CHORD LENGTH OF 233.85' TO A POINT ON THE COMMON LOT LINE BETWEEN SAID LOT 2, BLOCK 1 AND LOT 1, BLOCK 1 OF SAID MORGAN ADDITION NO. 1 FROM WHICH THE COMMON CORNER FOR THE SOUTHWEST CORNER OF SAID LOT 2, BLOCK 1 AND THE SOUTHEAST

CORNER OF SAID LOT 1, BLOCK 1 BEARS S01°07'31"E A DISTANCE OF 78.38';

5) NORTHWESTERLY DEPARTING SAID COMMON LOT LINE AND OVER AND ACROSS SAID LOT 1, BLOCK 1, ALONG A COMPOUND CURVE TURNING TO THE LEFT HAVING A RADIUS OF 3917.00', WITH AN ARC LENGTH OF 189.56', BEING SUBTENDED BY A CHORD BEARING OF N69°34'06"W, WITH A CHORD LENGTH OF 189.54';

6) NORTHWESTERLY CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, ALONG A REVERSE CURVE TURNING TO THE RIGHT HAVING A RADIUS OF 45.00', WITH AN ARC LENGTH OF 19.13', BEING SUBTENDED BY A CHORD BEARING OF N58°46'32"W, WITH A CHORD LENGTH OF 18.99';

7) NORTHWESTERLY CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, ALONG A REVERSE CURVE TURNING TO THE LEFT HAVING A RADIUS OF 75.00', WITH AN ARC LENGTH OF 32.85', BEING SUBTENDED BY A CHORD BEARING OF N59°08'37"W, WITH A CHORD LENGTH OF 32.59';

8) NORTHWESTERLY CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1 ALONG A COMPOUND CURVE TURNING TO THE LEFT HAVING A RADIUS OF 3928.00', WITH AN ARC LENGTH OF 222.41', BEING SUBTENDED BY A CHORD BEARING OF N73°18'47"W, WITH A CHORD LENGTH OF 222.38';

9) N56°23'19"W CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, A DISTANCE OF 22.27';

10) N19°17'44"W CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, A DISTANCE OF 22.27';

11) N00°44'57"W CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, A DISTANCE OF 89.91';

12) N21°41'22"E CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, A DISTANCE OF 26.72';

13) N66°33'58"E CONTINUING OVER AND ACROSS SAID LOT 1, BLOCK 1, A DISTANCE OF 59.00' TO A POINT ON THE SOUTH

RIGHT-OF-WAY LINE OF MCCREE ROAD FROM WHICH THE NORTHWEST CORNER OF SAID LOT 1, BLOCK 1 BEARS S88°56'26"W A DISTANCE OF 107.31';

THENCE ALONG SAID SOUTH RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES:

1) N88°56'26"E ALONG THE NORTH LOT LINE OF SAID LOT 1, BLOCK 1 A DISTANCE OF 391.41' TO THE COMMON CORNER FOR THE NORTHEAST CORNER OF SAID LOT 1, BLOCK 1 AND THE NORTHWEST CORNER OF LOT 2, BLOCK 1 OF SAID MORGAN ADDITION NO. 2;

2) N88°56'26"E DEPARTING SAID COMMON CORNER ALONG THE NORTH LOT LINE OF SAID LOT 2, BLOCK 1 A DISTANCE OF 632.46' TO THE POINT OF BEGINNING, CONTAINING 418,841 SQUARE FEET OR 9.615 ACRES MORE OR LESS.

PLANNED DEVELOPMENT CONDITIONS

ZONING FILE Z 19-27

2700-2816 McCree Road

I. **Statement of Purpose:** The purpose of this Planned Development is to approve a Detail Plan for a Truck/Bus Repair Use for “Sub-District A”.

II. **Statement of Effect:** This Planned Development shall not affect any regulation found in the Garland Development Code, Ordinance No. 6773, and Planned Development (PD) 93-11 District 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 and Planned Development (PD) 93-11 District are included by reference and shall apply, except as otherwise specified by this ordinance.

IV. **Development Plans:**

Detail Plan: Development shall be in general conformance with the Detail Plan labeled Exhibit C through Exhibit E. In the event there is conflict between the approved Detail Plan and the Specific Regulations below, the Specific Regulations shall apply. Future developments in Sub-District B are not required to receive approval of a Detail Plan.

V. **Specific Conditions:**

A. Permitted Uses: Land Uses are permitted as in Planned Development (PD) District 93-11 except for the following uses listed below:

- Drive-In Service
- Drive-Through Service
- Kiosk, Attended-Recycled Materials Collection
- Kiosk, Self-Service-Recycled Materials Collection
- Cemetery
- Sexually Oriented Business
- Smoke Shop
- Meat and Game Processing

- Recycling Salvage Yard
- Recycling Collection Center (no outside storage)
- Recording Studio/Media Production
- High Risk Use

Additionally:

a. Truck/Bus Repair Use will be allowed by right only in Sub-district A, and is limited to: "Preventative Maintenance" including oil/filter changes, tire changes and rotation, minor van body repairs and yearly inspection of brakes and electrical equipment for trailers; major repairs are not permitted.
b. Overnight parking or storage of 18-wheelers (tractor cabs and trailers) and any vehicles not related to the on-site business is prohibited.
c. Sub-district B shall not be used for vehicle storage or parking in association with the Truck/Bus Repair Use on Sub-district A.

B. Site Plan: The site layout, building placement, parking and other development proposed shall be in general conformance with the approved Site Plan labeled Exhibit C.

C. Automotive Service Bays: The automotive service bay doors shall not be located on the south façade of the building.

D. Landscape Plan: Screening and landscaping shall be in general conformance with the landscape plan labeled Exhibit D.

E. Elevations: Building Elevations shall be in general conformance with the elevations labeled Exhibit E.

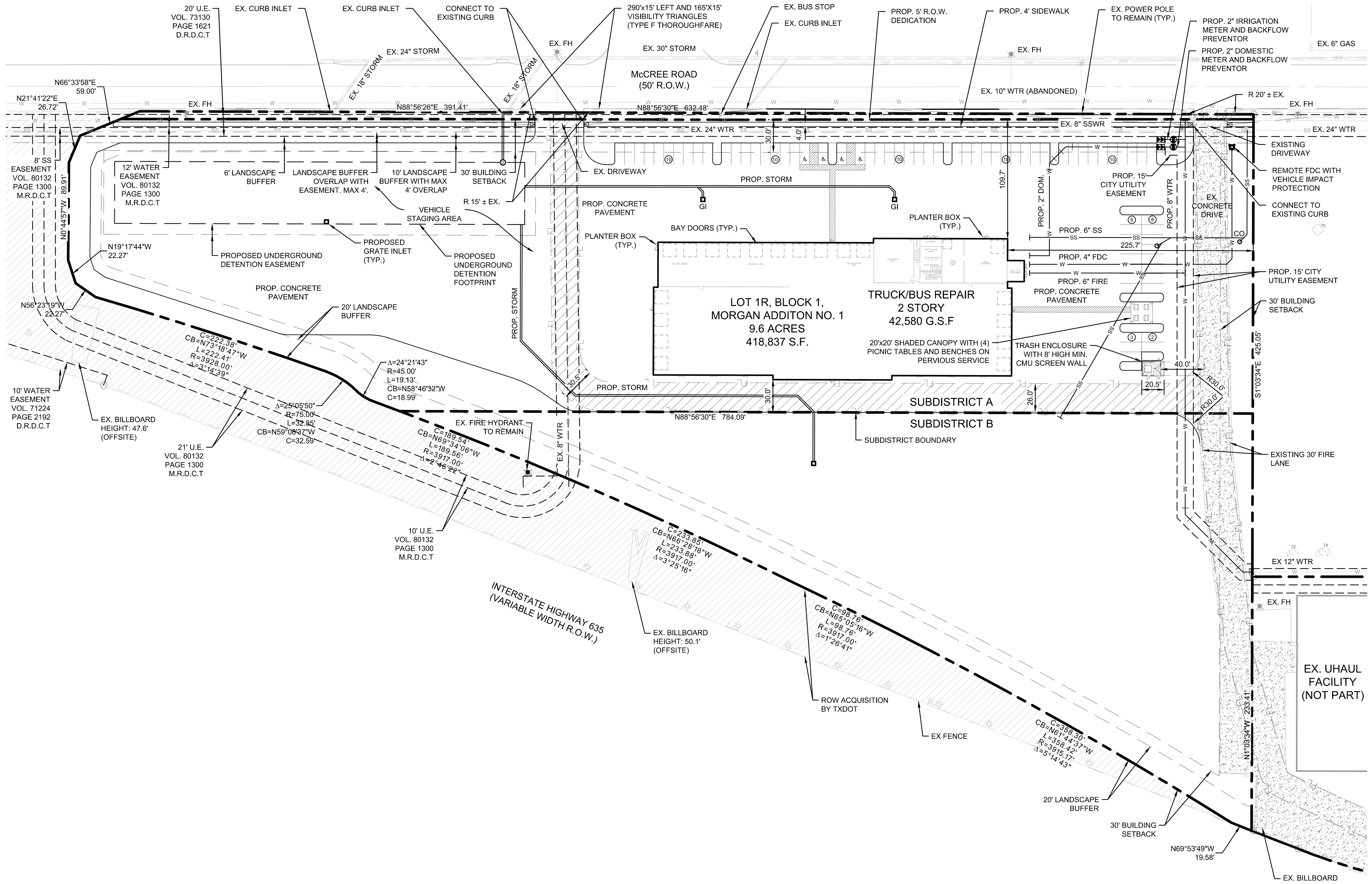
EXHIBIT C

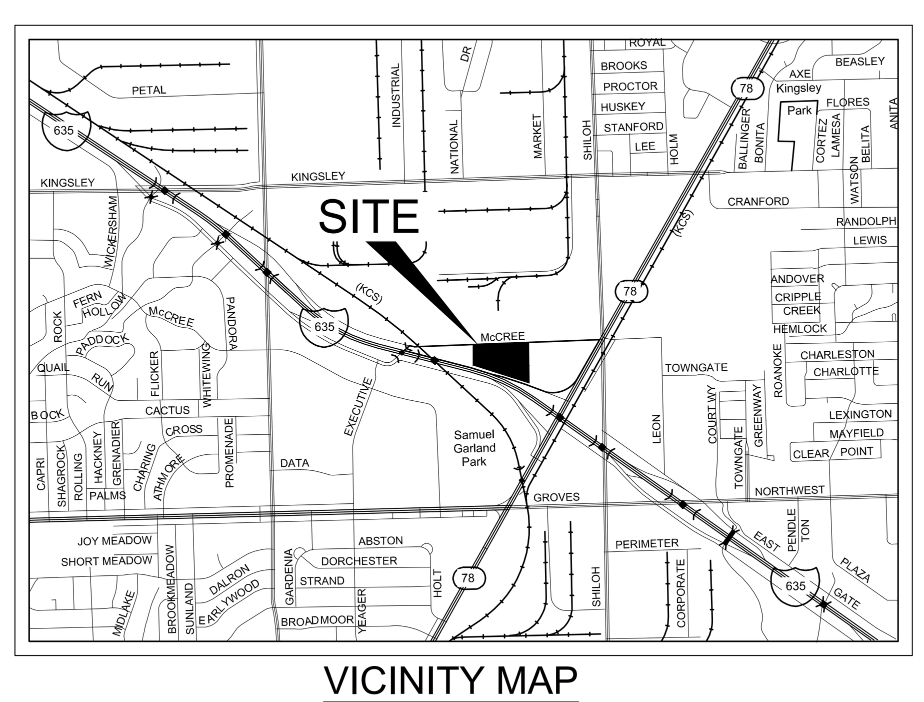
N
W E
S

GRAPHIC SCALE IN FEET
0 30 60 120

LEGEND	
PROPERTY LINE	
PROPOSED FIRELANE	
SUBDISTRICT BOUNDARY	

SUBDISTRICT A SITE DATA SUMMARY TABLE	
TOTAL AREA OF SITE	9.62 AC (418,837 SF)
SUBDISTRICT A TOTAL AREA (AC/SF)	6.41 AC (279,369 SF)
FLOOR AREA RATIO	0.1:1
IMPERVIOUS SURFACE COVER	5.27 AC (229,510 SF)
BUILDING COVERAGE	0.94 AC (41,075 SF)
BUILDING COVERAGE PERMITTED	60%
BUILDING COVERAGE (BUILDING AREA ONLY)	15%
OPEN SPACE (REQUIRED)	10%
OPEN SPACE (PROVIDED)	18%
SQUARE FOOTAGE OF EX. BUILDINGS	N/A
SQUARE FOOTAGE OF PROP. BUILDING	42,580 SF
BUILDING HEIGHT (PERMITTED)	ANY LEGAL HEIGHT
BUILDING HEIGHT (PROPOSED)	29'
USE	TRUCK/BUS REPAIR
FINISH FLOOR ELEVATION	600
NUMBER OF STORIES	2
PARKING SPACES (1 / 600 GFA REQUIRED)	71
PARKING SPACES (PROVIDED)	71
PARKING SURFACE MATERIAL	CONCRETE





VICINITY MAP
NTS

THE DETAILED SITE PLAN IS FOR CITY REVIEW ONLY TO ILLUSTRATE COMPLIANCE WITH ZONING AND DEVELOPMENT REGULATIONS. IT IS NOT INTENDED FOR CONSTRUCTION PURPOSES.

PLANNED DEVELOPMENT SITE PLAN
LOT 1R, BLOCK 1, MORGAN ADDITON NO. 1
UHAUL GARLAND
SWC McCREE ROAD & S SHILOH ROAD
GARLAND, TEXAS
SUBMITTED: JANUARY 13, 2021

APPLICANT/OWNER:
AMERCO REAL ESTATE COMPANY
2727 N. CENTRAL AVE
PHOENIX, ARIZONA 85004
TEL. NO. 602-263-5824
CONTACT: DAVID POLLOCK

ENGINEER/SURVEYOR:
KIMLEY-HORN AND ASSOCIATES, INC.
13455 NOEL ROAD, TWO GALLERIA
OFFICE TOWER, SUITE 700
DALLAS, TEXAS 75240
TEL. NO. 972 770- 1368
CONTACT: JOE FRACCARO, P.E.

No.	REVISIONS	DATE	BY

Kimley»Horn
13455 NOEL ROAD, TWO GALLERIA OFFICE TOWER, SUITE 700, DALLAS, TX 75240
PHONE: 972-770-1300 FAX: 972-239-3820
WWW.KIMLEY-HORN.COM TX F-928

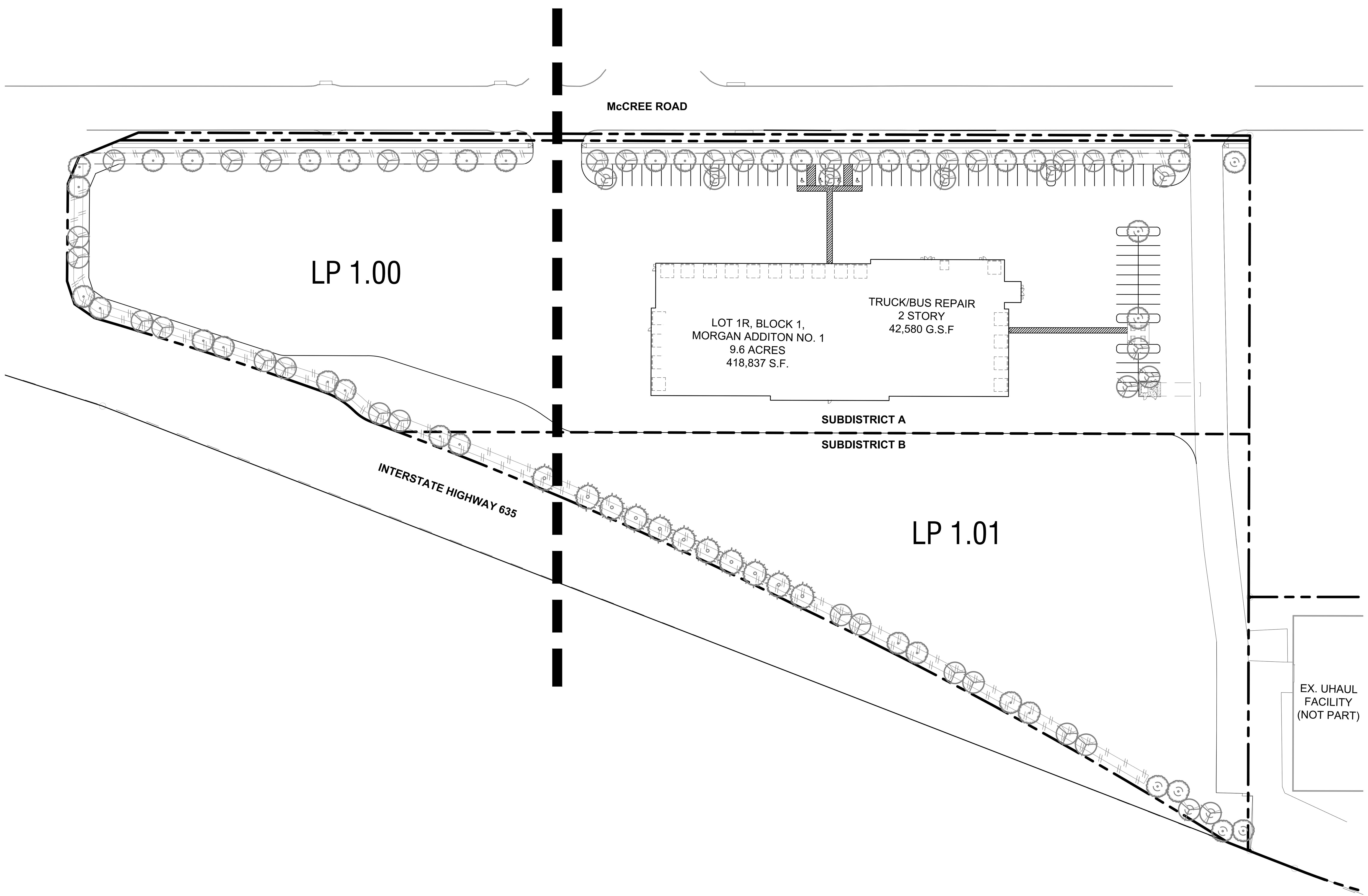
KHA PROJECT	DATE	SCALE	DESIGNED BY	DRAWN BY	CHECKED BY
064444109	01/13/2021	AS SHOWN	JAF	ARW	JAF

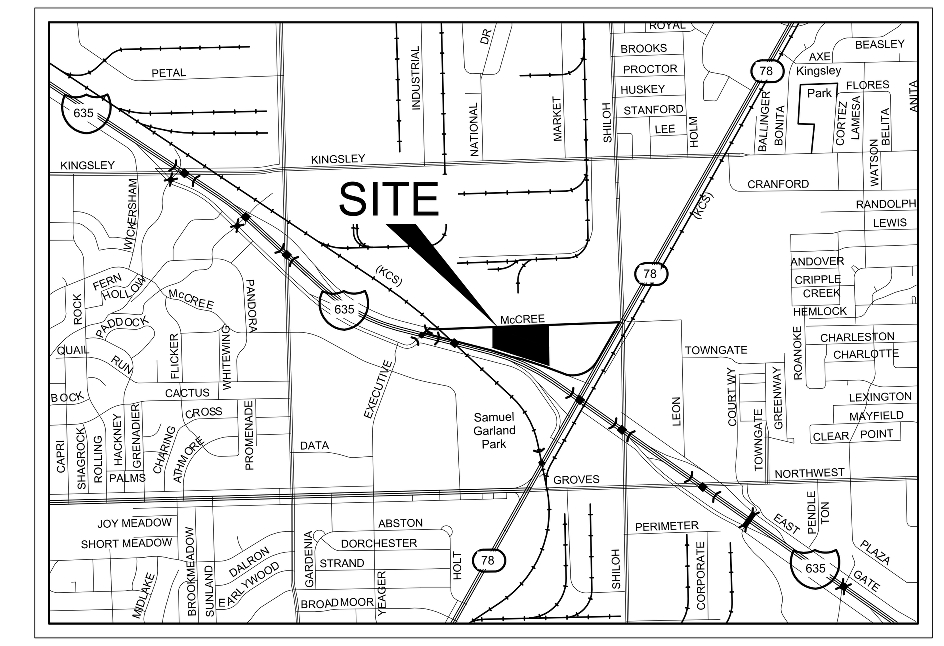
U-HAUL - GARLAND, TX
PREPARED FOR
U-HAUL INTERNATIONAL & AMERCO REAL ESTATE CO.
LOT 1R, BLOCK 1,
MORGAN ADDITON NO. 1
CITY OF GARLAND, TEXAS

PLANNED DEVELOPMENT
SITE PLAN
CASE NO. 190723-2

SHEET NUMBER
SP-01

EXHIBIT D





VICINITY MAP
NTS

CAUTION
EXISTING UNDERGROUND UTILITIES. CONTRACTOR TO VERIFY EXACT LOCATION PRIOR TO ANY TRENCHING OR EXCAVATION.

811 Know what's **below.** **Call** before you dig.

NORTH

GRAPHIC SCALE IN FEET
0 30 60 120

LANDSCAPE PLAN
UHAUL GARLAND
SWC McCREE ROAD & S SHILOH ROAD
GARLAND, TEXAS
SUBMITTED: JANUARY 7, 2021

APPLICANT/OWNER:
AMERCO REAL ESTATE COMPANY
2727 N. CENTRAL AVE
PHOENIX, ARIZONA 85004
TEL. NO. 602-263-5824
CONTACT: DAVID POLLUCK

LANDSCAPE ARCHITECT:
KIMLEY-HORN AND ASSOCIATES, INC.
13455 NOEL ROAD, TWO GALLERIA
OFFICE TOWER, SUITE 700
DALLAS, TEXAS 75240
TEL. NO. 972 770- 1300
CONTACT: PATRICK B. HART. PLA

No. | REVISIONS | DATE | BY

Kimley»Horn
13455 NOEL ROAD, TWO GALLERIA OFFICE TOWER, SUITE 700, DALLAS, TX 75240
PHONE: 972-770-1300 FAX: 972-239-3820
WWW.KIMLEY-HORN.COM TX F-928

PRELIMINARY
FOR REVIEW ONLY
Not for construction or permit purposes.
Kimley»Horn
R.L.A. PATRICK B. HART
L.A. No. 2839 Date JAN. 2021

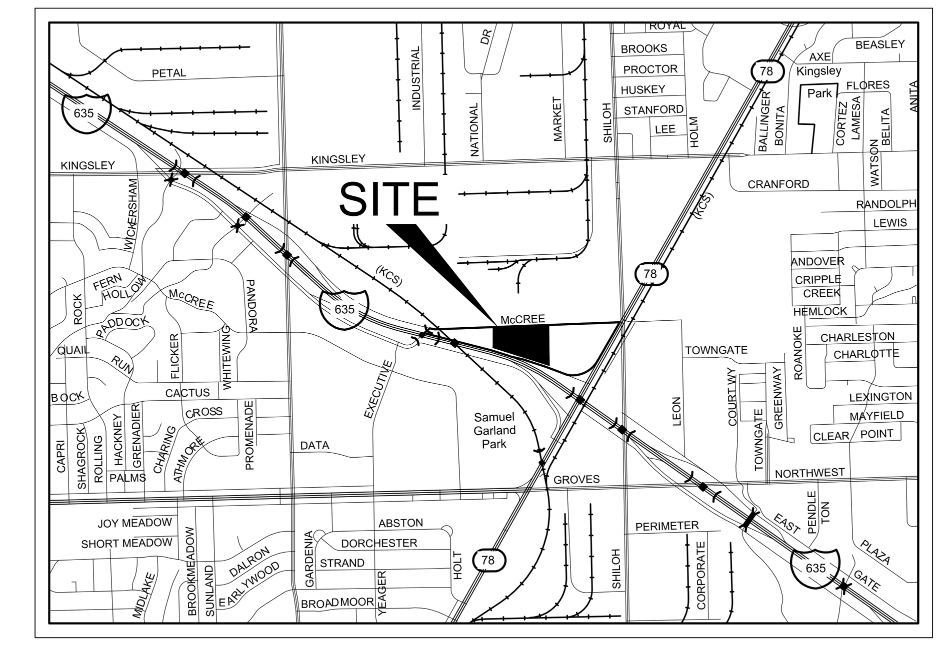
KHA PROJECT 064444109
DATE 01/07/2021
SCALE AS SHOWN
DESIGNED BY LLL
DRAWN BY MMB
CHECKED BY PBH

U-HAUL - GARLAND, TX
PREPARED FOR
U-HAUL INTERNATIONAL &
AMERCO REAL ESTATE CO.
LOT 1R, BLOCK 1,
MORGAN ADDITON NO. 1
CITY OF GARLAND, TEXAS

KEY MAP
CASE NO. 190723-2

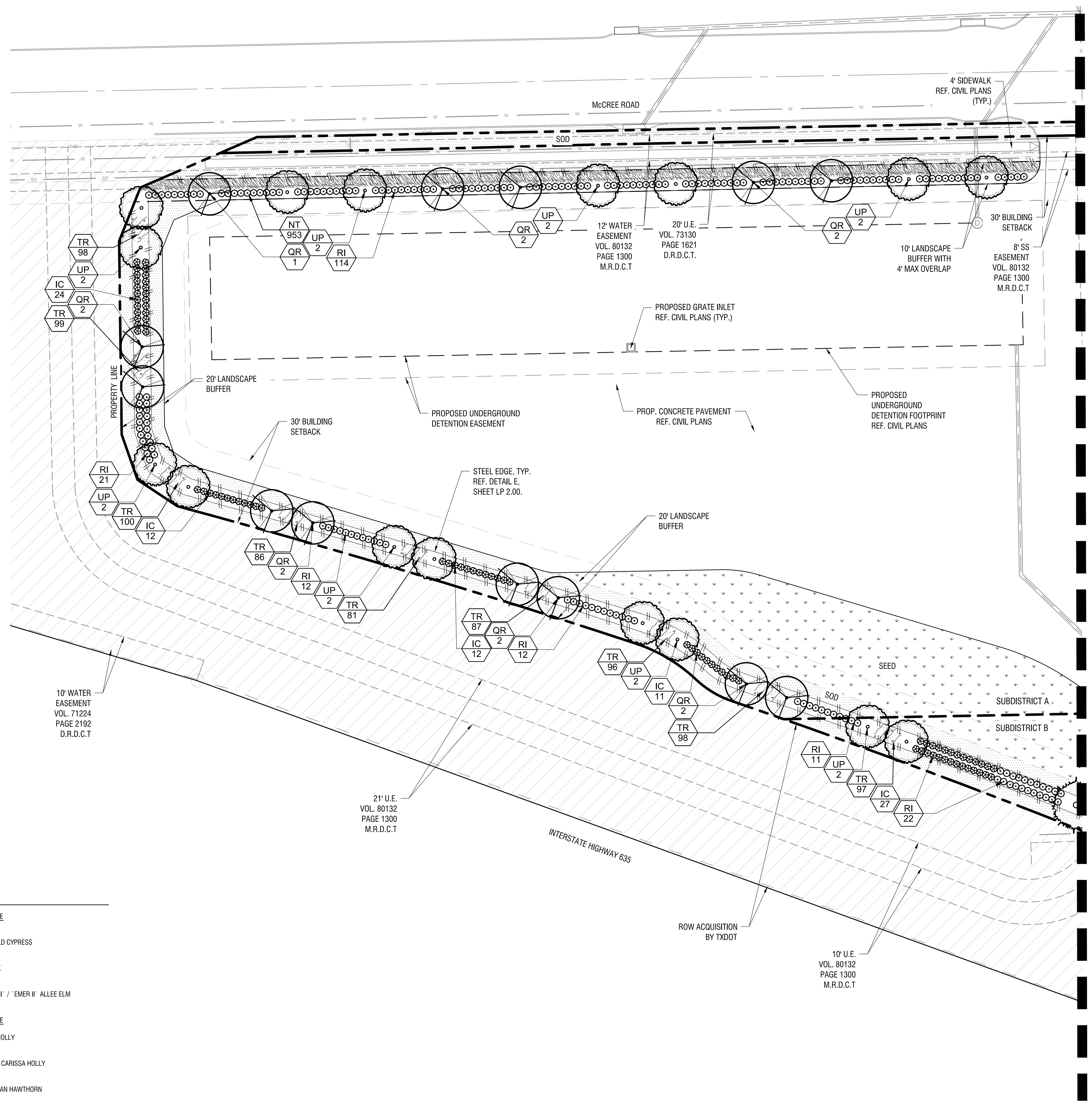
SHEET NUMBER
LP 0.00

EXHIBIT D



VICINITY MAP

NTS



FULL PLANT SCHEDULE ON DETAIL SHEET LP 2.00

PLANT LEGEND

TREES	CODE	BOTANICAL / COMMON NAME
	TD	TAXODIUM DISTICHUM / BALD CYPRESS
	QR	QUERCUS RUBRA / RED OAK
	UP	ULMUS PARVIFOLIA `EMER II` / `EMER II` ALLEE ELM
SHRUBS	**CODE**	**BOTANICAL / COMMON NAME**
	DB	ILEX CORNUTA / BURFORD HOLLY
	IC	ILEX CORNUTA `CARISSA` / CARISSA HOLLY
	RI	RHAPHIOLEPIS INDICA / INDIAN HAWTHORN
	LF	LEUCOPHYLLUM FRUTESCENS / TEXAS SAGE
GROUND COVERS	**CODE**	**BOTANICAL / COMMON NAME**
	TR	TRACHELOSPERMUM ASIATICUM `ASIATIC` / ASIATIC JASMINE
	SOD	CYNODON DACTYLON / BERMUDA GRASS
	SEED	CYNODON DACTYLON / COMMON BERMUDA GRASS
	NT	NASSELLA TENUISSIMA / MEXICAN FEATHERGRASS

City of Garland Landscape Requirements - Article III - Section 4

LANDSCAPE SUMMARY	REQUIRED	PROVIDED (SUBDISTRICT A)
MINIMUM LANDSCAPE AREA REQUIREMENTS		
PERCENTAGE OF TOTAL SITE IN PERMANENT LANDSCAPING (418,837 SF x 10% = 41,884 SF)	10% (41,884 SF)	41% (172,396 SF)
NO MORE THAN 50% OF TOTAL TREES TO BE ONE SPECIES (11 BALD CYPRESS, 40 RED OAK, 37 ALLEE ELM) = 88 TREES x 50% = 44 (NO MORE THAN 44 TREES CAN BE ONE SPECIES)	YES	YES
MINIMUM STREET BUFFER REQUIREMENTS		
FOR EVERY 30 LINEAR FEET, OR FRACTION THEREOF, ONE LARGE CANOPY TREE IS REQUIRED ALONG WITH SEVEN SHRUBS OR ORNAMENTAL GRASSES INTERSTATE 635 (TYPE A-A) (1,328 LF FRONTAGE / 30 = 45 CANOPY TREES & 315 SHRUBS)	45 CANOPY TREES 315 SHRUBS	45 CANOPY TREES 316 SHRUBS
FOR EVERY THIRTY LINEAR FEET, OR FRACTION THEREOF, ONE LARGE CANOPY TREE IS REQUIRED McCREE ROAD (TYPE F) (960 LF FRONTAGE / 30 = 32 CANOPY TREES)	32 CANOPY TREES	32 CANOPY TREES
SCREENING PARKING LOTS ADJACENT TO STREETS (CONTINIOUS OR UNDULATING ROW OF SHURBS OR ORNAMENTAL GRASSES THAT ARE A MINIMUM OF TWENTY-FOUR INCHES IN HEIGHT AT INSTALLATION)	YES	YES
TURF (GRASS) MUST PROVIDE A MAXIMUM OF SEVENTY-FIVE PERCENT OF COVERAGE WITHIN THE LANDSCAPE BUFFER. THE REMAINING TWENTY-FIVE PERCENT OF GROUND COVER MUST BE SELECTED FROM A SPECIES ON THE APPROVED PLANTS LIST. (INTERSTATE 635 - 19,101 SF TURF IN BUFFER / 26,560 TOTAL SF OF BUFFER= 72% OF BUFFER IS TURF) (McREE ROAD - 0 SF TURF IN BUFFER / 9,852 TOTAL SF OF BUFFER= 0% OF BUFFER IS TURF)	YES	YES
INTERIOR LANDSCAPE REQUIREMENTS		
LIVING LANDSCAPE MATERIALS MUST COVER A MINUMUM OF FIVE PERCENT OF THE TOTAL PARKING LOT AREA. 57,648 SF x 5% = 2,882 SF	5% (2,882 SF)	5% (2,901 SF)
A LANDSCAPED ISLAND MUST BE LOCATED AT THE TERMINUS OF EACH PARKING ROW, AND MUST CONTAIN A MINIMUM OF ONE LARGE CANOPY TREE	YES	YES
ONE LARGE CANOPY TREE IS REQUIRED FOR EVERY 10 PARKING SPACES 71 PARKING SPACES / 10 = 8 TREES	8 CANOPY TREES	8 CANOPY TREES
HAVE A LARGE CANOPY TREE WITHIN AT LEAST 65 FEET OF EVERY PARKING SPACE	YES	YES
DETENTION POND LANDSCAPE REQUIREMENTS		
TREES, ORNAMENTAL GRASSES, SHRUBS, AND GROUNDCOVER ARE REQUIRED AROUND THE PERIMETER OF A DETENTION AND RETENTION POND. LOCATED WITHIN ONE HUNDRED FEET OF A TYPE D OR LARGER THOROUGHFARE.	N/A	N/A
SCREENING REFUSE CONTAINERS		
MUST BE SCREENED ON THREE SIDES WITH A MINIMUM SIX-FOOT TALL MASONRY WALL	YES	YES

NOTE:
1. ALL LANDSCAPE AREAS MUST BE IRRIGATED BY AN AUTOMATIC UNDERGROUND IRRIGATION SYSTEM EQUIPPED WITH OPERATING RAIN/FREEZE SENSORS.
2. ALL BED AREAS MUST BE SEPARATED FROM TURF AREAS BY STEEL EDGE
3. THE PROPERTY OWNER MUST MAINTAIN ALL LANDSCAPING IN ACCORDANCE WITH THE LANDSCAPE PLAN APPROVED BY THE CITY.
4. CONTRACTOR TO SEED ALL DISTURBED AREAS.

CAUTION
EXISTING UNDERGROUND UTILITIES. CONTRACTOR TO VERIFY EXACT LOCATION PRIOR TO ANY TRENCHING OR EXCAVATION.

LEGEND
TXDOT CONDEMNATION AREA

811 Know what's **below.** **Call** before you dig.

NORTH

GRAPHIC SCALE IN FEET
0 15 30 60

LANDSCAPE PLAN
UHAUL GARLAND
SWC McCREE ROAD & S SHILOH ROAD
GARLAND, TEXAS
SUBMITTED: JANUARY 7, 2021

APPLICANT/OWNER:
AMERCO REAL ESTATE COMPANY
2727 N. CENTRAL AVE
PHOENIX, ARIZONA 85004
TEL. NO. 602-263-5824
CONTACT: DAVID POLLUCK

LANDSCAPE ARCHITECT:
KIMLEY-HORN AND ASSOCIATES, INC.
13455 NOEL ROAD, TWO GALLERIA
OFFICE TOWER, SUITE 700
DALLAS, TEXAS 75240
TEL. NO. 972 770- 1300
CONTACT: PATRICK B, HART. PLA

Kimley»Horn
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PHONE: 972-770-1300 FAX: 972-239-3820
WWW.KIMLEY-HORN.COM TX F-928

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Kimley»Horn
R.L.A. PATRICK B. HART
L.A. No. 2839 Date JAN. 2021

No.	REVISIONS	DATE	BY

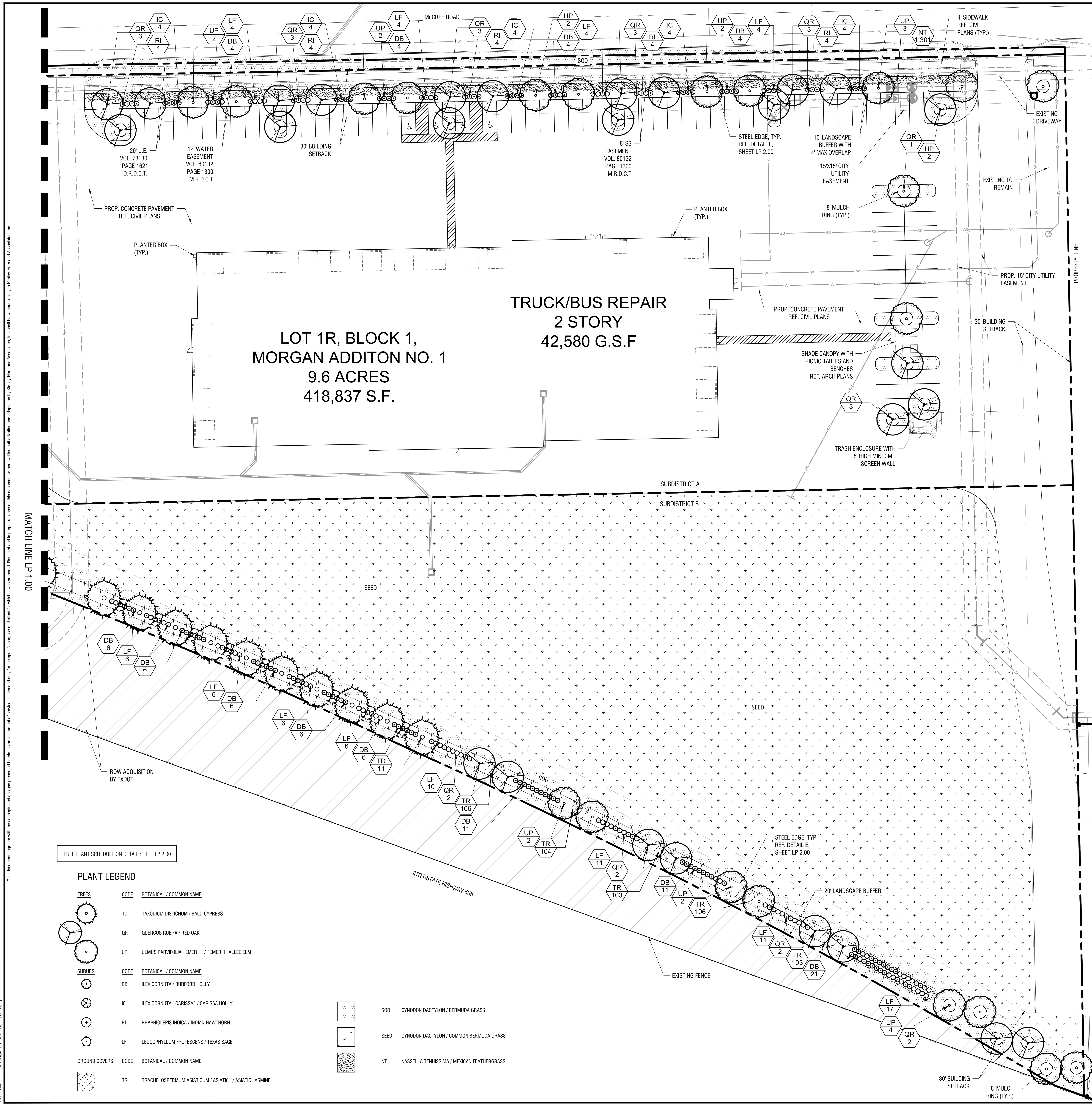
KHA PROJECT 064444109
DATE 01/07/2021
SCALE AS SHOWN
DESIGNED BY LLL
DRAWN BY MMB
CHECKED BY PBH

U-HAUL - GARLAND, TX
PREPARED FOR
U-HAUL INTERNATIONAL &
AMERCO REAL ESTATE CO.
LOT 1R, BLOCK 1,
MORGAN ADDITON NO. 1
CITY OF GARLAND, TEXAS

LANDSCAPE PLAN
CASE NO. 190723-2

SHEET NUMBER
LP 1.00

EXHIBIT D



FULL PLANT SCHEDULE ON DETAIL SHEET LP 2.00

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GROUND COVERS	**CODE**	**BOTANICAL / COMMON NAME**
	TR	TRACHELOSPERMUM ASIATICUM `ASIATIC` / ASIATIC JASMINE

CODE	DESCRIPTION
SOD	CYNODON DACTYLON / BERMUDA GRASS
SEED	CYNODON DACTYLON / COMMON BERMUDA GRASS
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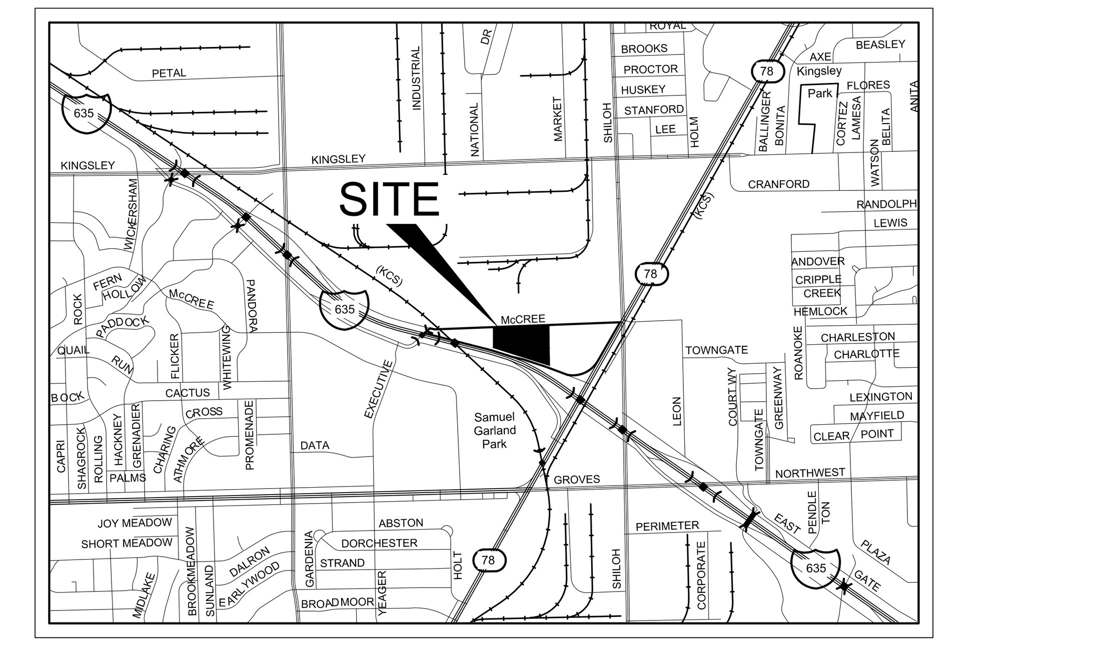

VICINITY MAP
NTS

City of Garland Landscape Requirements - Article III - Section 4		
LANDSCAPE SUMMARY		
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LEGEND
TXDOT CONDEMNATION AREA

811 Know what's below. Call before you dig.

NORTH

GRAPHIC SCALE IN FEET
0 15 30 60

LANDSCAPE PLAN
UHAUL GARLAND
SWC McCREE ROAD & S SHILOH ROAD
GARLAND, TEXAS
SUBMITTED: JANUARY 7, 2021

APPLICANT/OWNER:
AMERCO REAL ESTATE COMPANY
2727 N. CENTRAL AVE
PHOENIX, ARIZONA 85004
TEL. NO. 602-263-5824
CONTACT: DAVID POLLUCK

LANDSCAPE ARCHITECT:
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No.	REVISIONS	DATE	BY

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PHONE: 972-770-1300 FAX: 972-239-3820
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Kimley»Horn
R.L.A. PATRICK B. HART
L.A. No. 2839 Date JAN. 2021

KHA PROJECT 064444109
DATE 01/07/2021
SCALE AS SHOWN
DESIGNED BY LLL
DRAWN BY MMB
CHECKED BY PBH

U-HAUL - GARLAND, TX
PREPARED FOR
U-HAUL INTERNATIONAL & AMERCO REAL ESTATE CO.
LOT 1R, BLOCK 1, MORGAN ADDITON NO. 1
CITY OF GARLAND, TEXAS

LANDSCAPE PLAN
CASE NO. 190723-2

SHEET NUMBER
LP 1.01

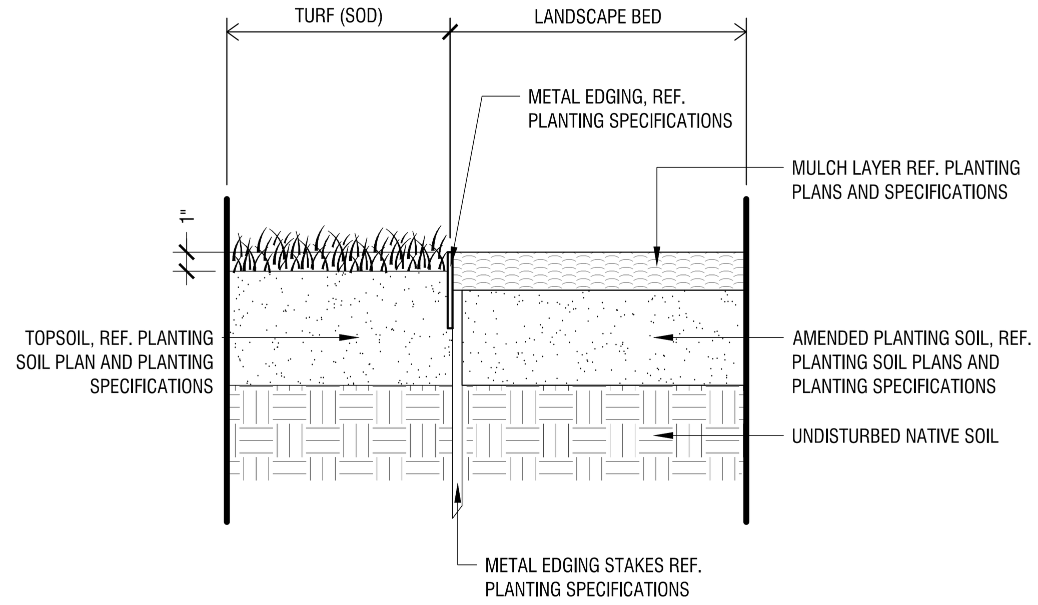
EXHIBIT D

PLANT SCHEDULE

TREES	CODE	QTY	BOTANICAL / COMMON NAME	CONT	CAL	HT	REMARKS
	TD	11	TAXODIUM DISTICHUM / BALD CYPRESS	B & B	3"CAL	14`-16` HT.	STRONG, CENTRAL LEADER, FULL
	QR	40	QUERCUS RUBRA / RED OAK	B & B	3" CAL.	14`-16` HT.	CENTRAL LEADER, FULL
	UP	37	ULMUS PARVIFOLIA `EMER II` / `EMER II` ALLEE ELM	B & B	3" CAL.	14`-16` HT.	CENTRAL LEADER, FULL

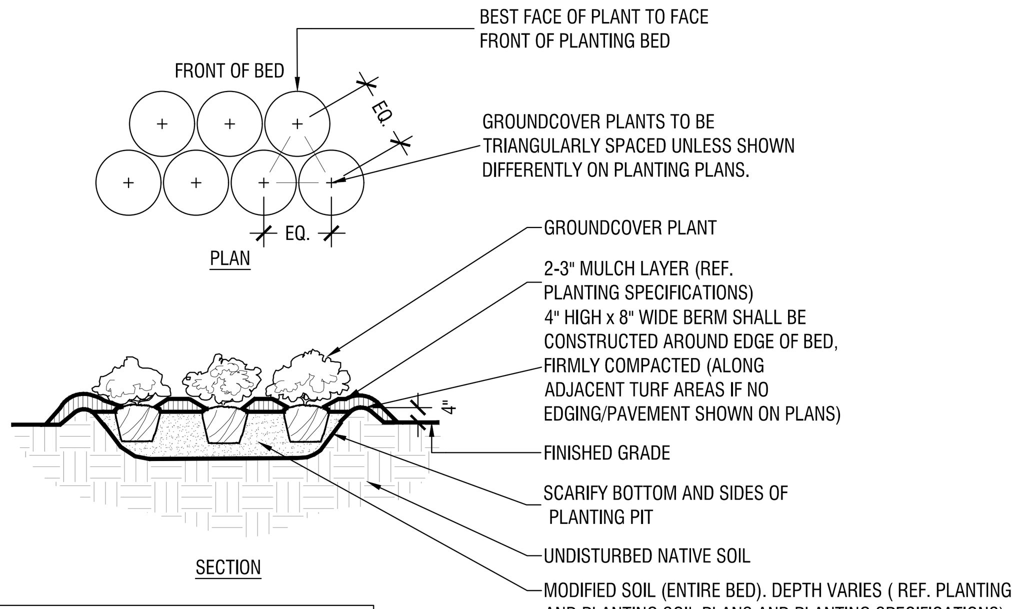
SHRUBS	CODE	QTY	BOTANICAL / COMMON NAME	CONT	SIZE	SPACING	REMARKS
	DB	89	ILEX CORNUTA / BURFORD HOLLY	CONT.	48" HT.	36" O.C.	FULL AND MATCHING
	IC	106	ILEX CORNUTA `CARISSA` / CARISSA HOLLY	CONT.	36" HT.	36" O.C.	FULL AND MATCHING
	RI	212	RHAPHIOLEPIS INDICA / INDIAN HAWTHORN	CONT.	36" HT.	36" O.C.	FULL AND MATCHING
	LF	89	LEUCOPHYLLUM FRUTESCENS / TEXAS SAGE	CONT.	48" HT.	36" O.C.	FULL AND MATCHING

GROUND COVERS	CODE	QTY	BOTANICAL / COMMON NAME	ROOT	SIZE	SPACING	REMARKS
	TR	1,364	TRACHELOSPERMUM ASIATICUM `ASIATIC` / ASIATIC JASMINE	4" POT	6" H X 6" W	12" O.C.	FULL AND MATCHING
	SOD	41,168 SF	CYNODON DACTYLON / BERMUDA GRASS	N/A	N/A	N/A	SOD TO HAVE TIGHT, SAND FILLED JOINTS AND BE FREE OF WEEDS.
	SEED	117,684 SF	CYNODON DACTYLON / COMMON BERMUDA GRASS	N/A	N/A	N/A	HYDROSEED
	NT	2,254	NASSELLA TENUISSIMA / MEXICAN FEATHERGRASS	CONT.	12" HT.	24" O.C.	FULL AND MATCHING



METAL EDGING (AT TURF & LANDSCAPE BED) — E

Scale: 1 1/2" = 1'-0"

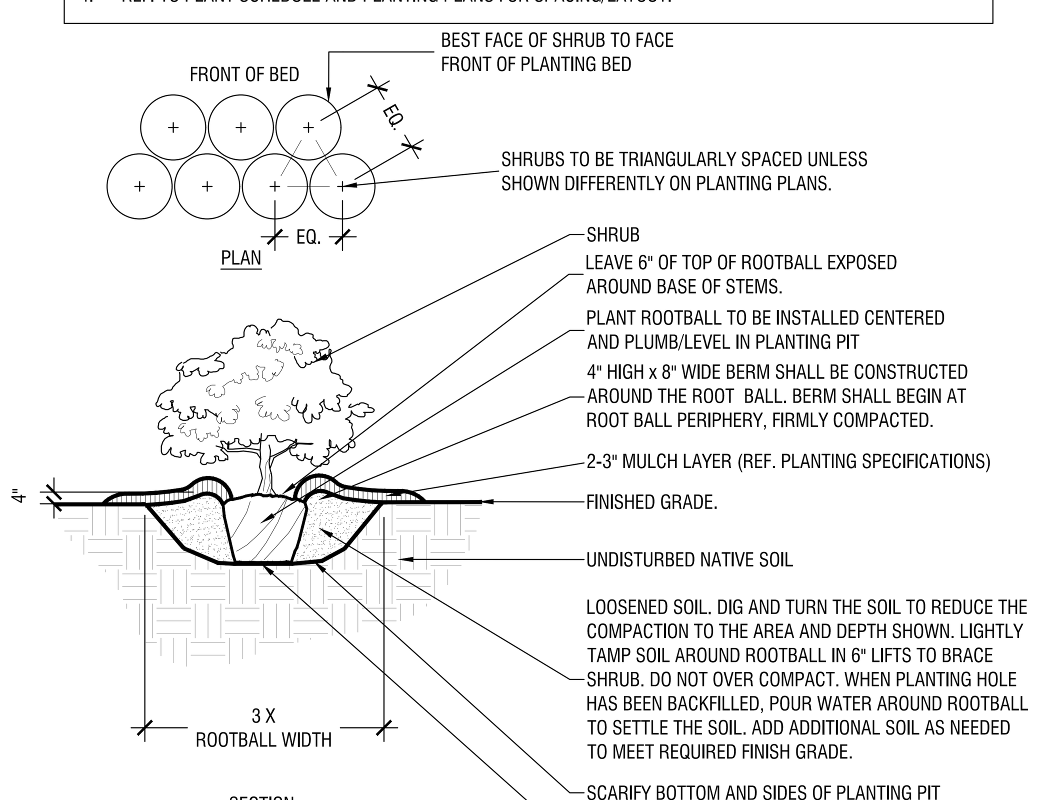


NOTES:
1. REF. PLANTING SPECIFICATIONS FOR ADDITIONAL INFORMATION.
2. REF. PLANT SCHEDULE AND PLANTING PLANS FOR SPACING/LAYOUT.

TYPICAL GROUNDCOVER PLANTING — D

Scale: NTS

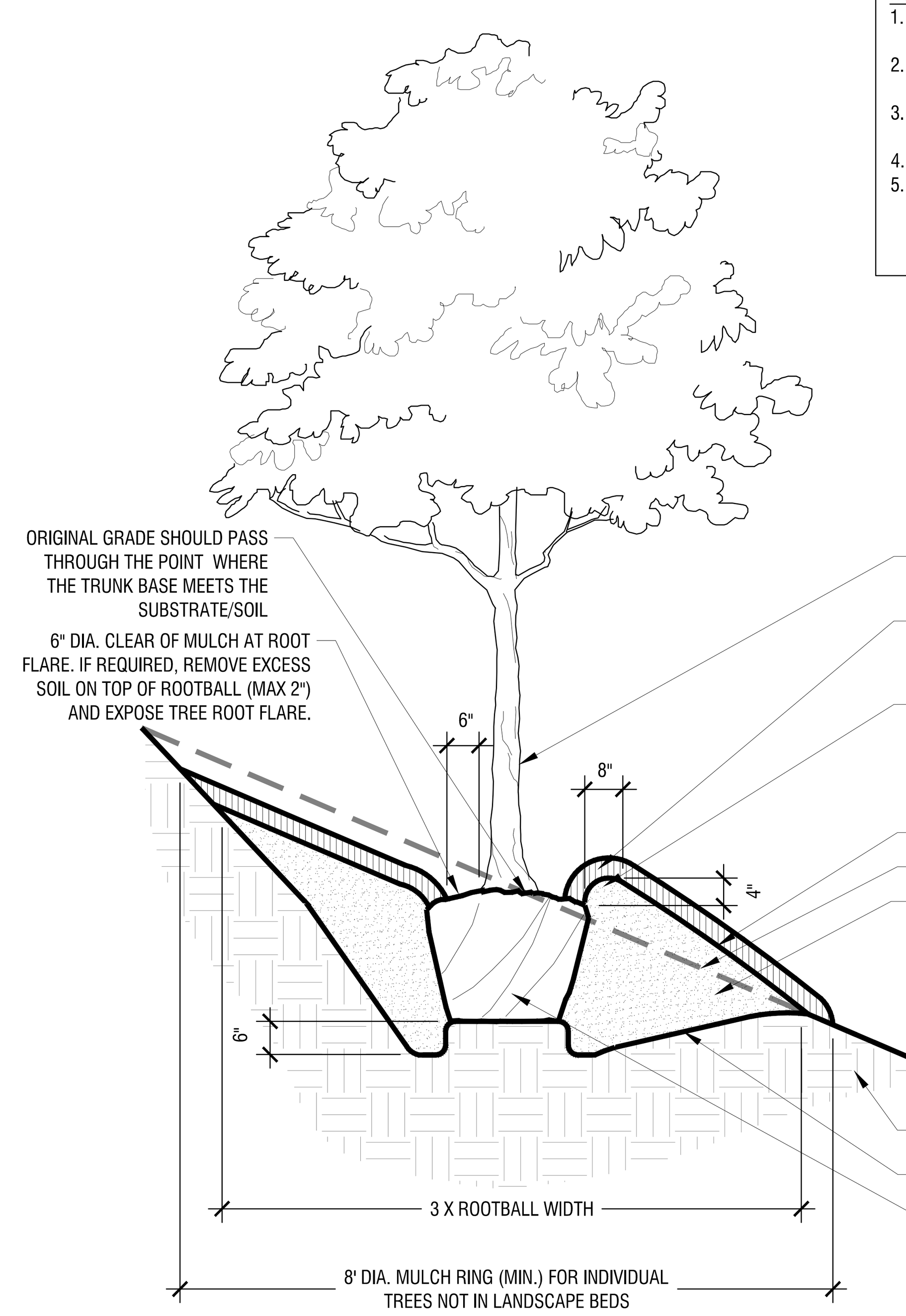
NOTES:
1. REF. PLANTING SPECIFICATIONS FOR ADDITIONAL INFORMATION.
2. WHEN SHRUBS MASSED TOGETHER WITH GROUNDCOVER BEDS, ALL SOIL IN BED TO BE AMENDED. (REF. PLANTING SPECIFICATIONS)
3. WHEN SHRUBS ARE USED IN MASSES, PRUNE ALL SHRUBS TO ACHIEVE UNIFORM MASS/HEIGHT.
4. REF. TO PLANT SCHEDULE AND PLANTING PLANS FOR SPACING/LAYOUT.



TYPICAL SHRUB PLANTING — C

Scale: NTS

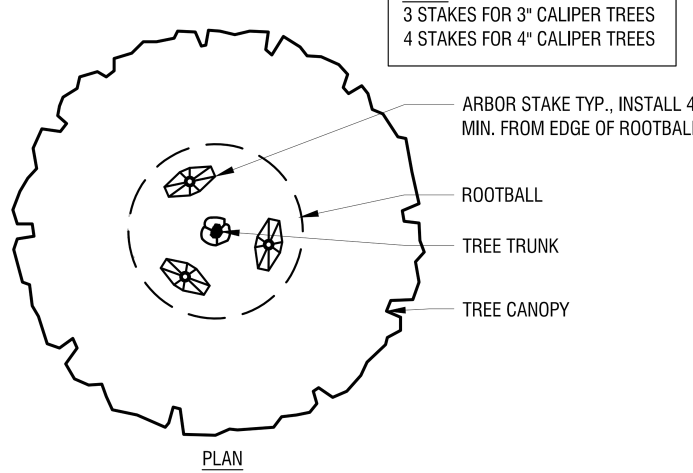
NOTES:
1. REF. PLANTING SPECIFICATIONS FOR ADDITIONAL INFORMATION.
2. SEE ROOTBALL PREPARATION DETAILS FOR ADDITIONAL INFORMATION.
3. SEE TREE PRUNING DETAILS FOR ADDITIONAL INFORMATION.
4. REF. TREE STAKING DETAIL THIS SHEET.
5. PERFORM PERCOLATION TEST PER PLANTING SPECIFICATIONS. IF SUBSURFACE DRAINAGE PROBLEMS ARE ENCOUNTERED, NOTIFY PROJECT LANDSCAPE ARCHITECT.



TREE PLANTING ON 5-50% SLOPE'S (20:1 TO 2:1 SLOPES) — B

Scale: NTS

NOTE:
3 STAKES FOR 3" CALIPER TREES
4 STAKES FOR 4" CALIPER TREES



NOTES:
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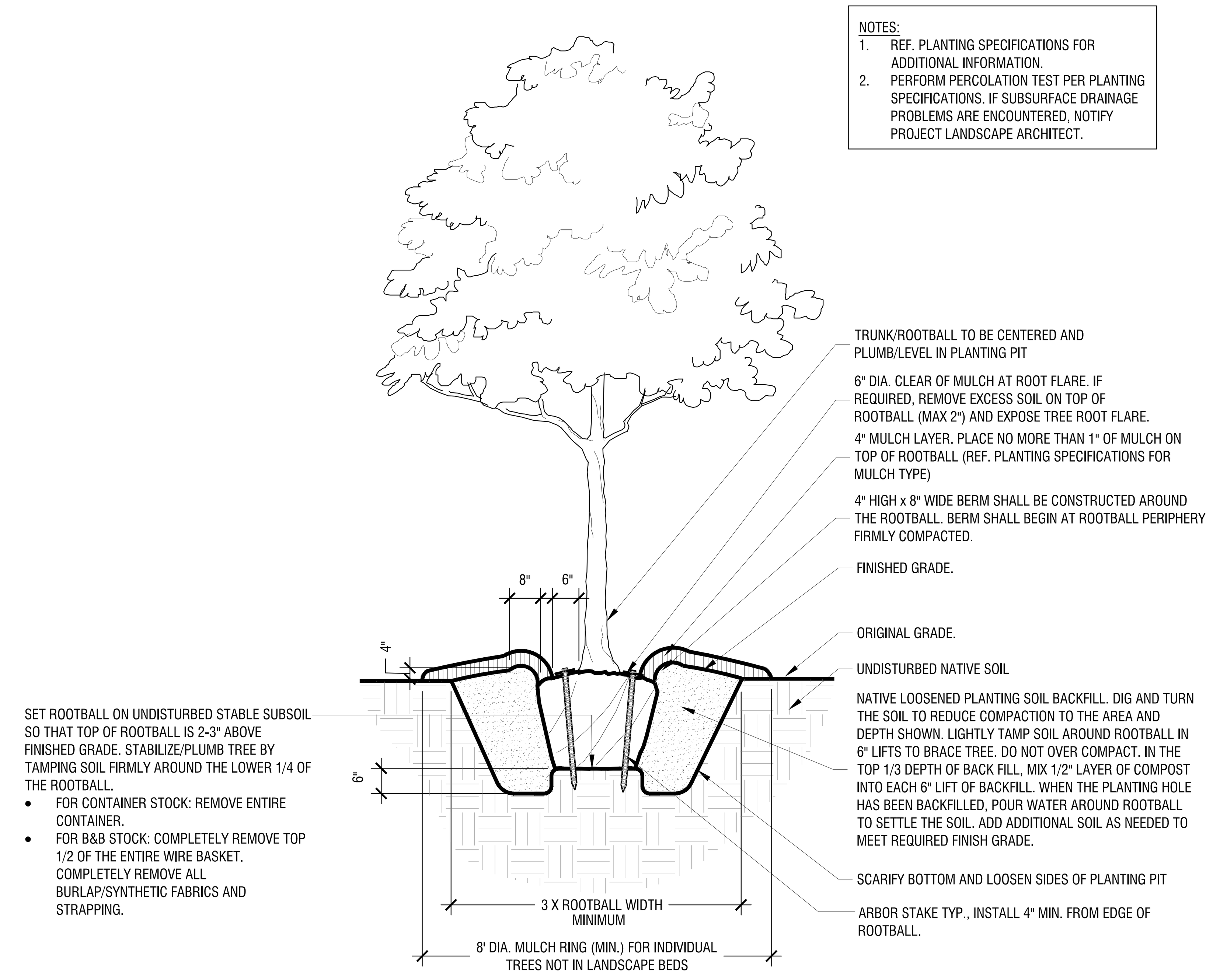

TYPICAL TREE PLANTING (UP TO 3" CALIPER) — A

Scale: NTS

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L.A. No. 2839 Date JAN. 2021

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DESIGNED BY LLL
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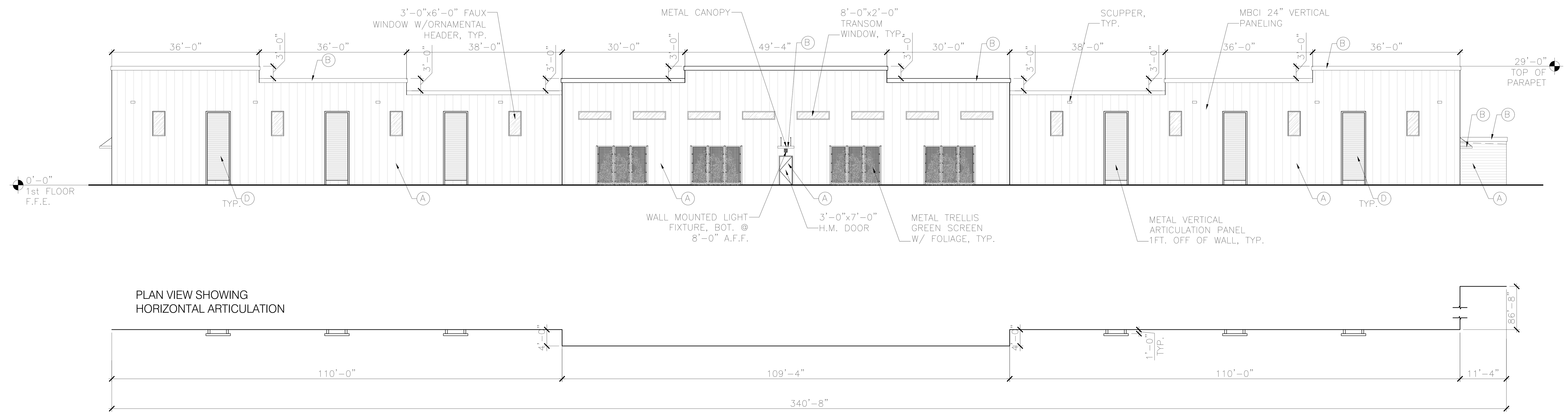
U-HAUL INTERNATIONAL & AMERCO REAL ESTATE CO.
LOT 1R, BLOCK 1,
MORGAN ADDITON NO. 1
CITY OF GARLAND, TEXAS

LANDSCAPE DETAILS
CASE NO. 190723-2

SHEET NUMBER
LP 2.00

No.	REVISIONS	DATE	BY



SOUTH ELEVATION

SCALE: 1/16"=1'-0"

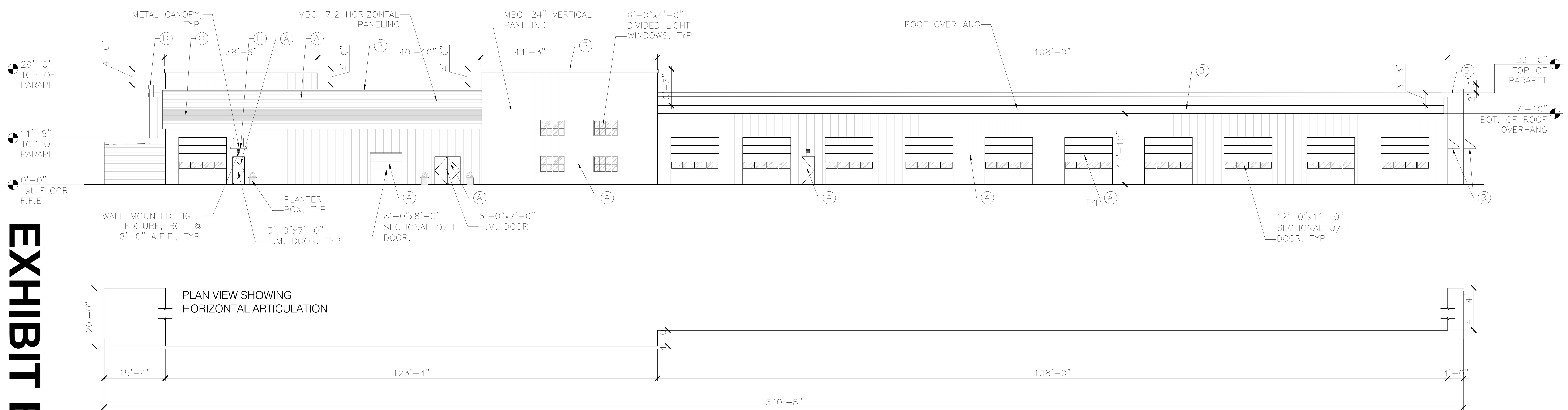
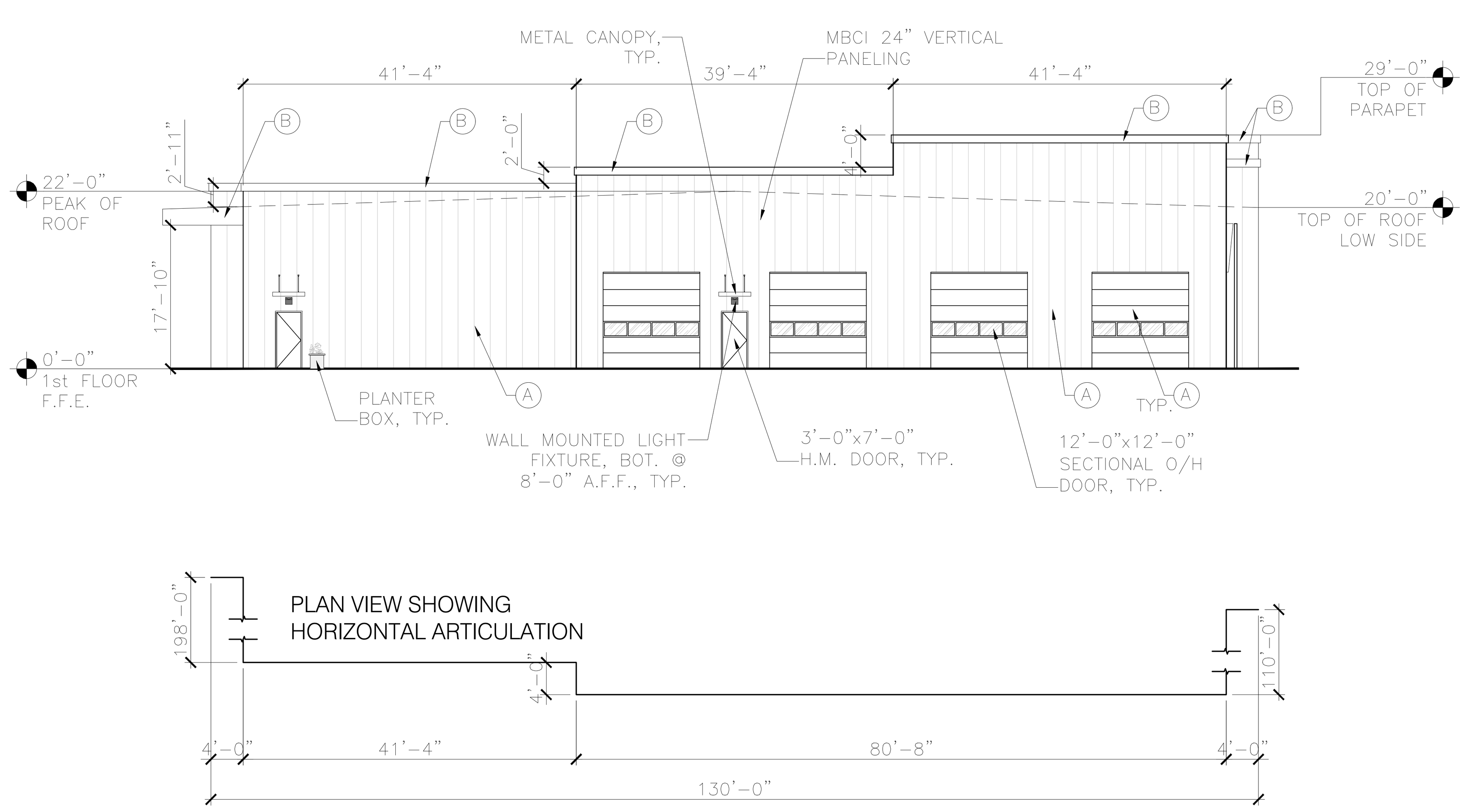


EXHIBIT E

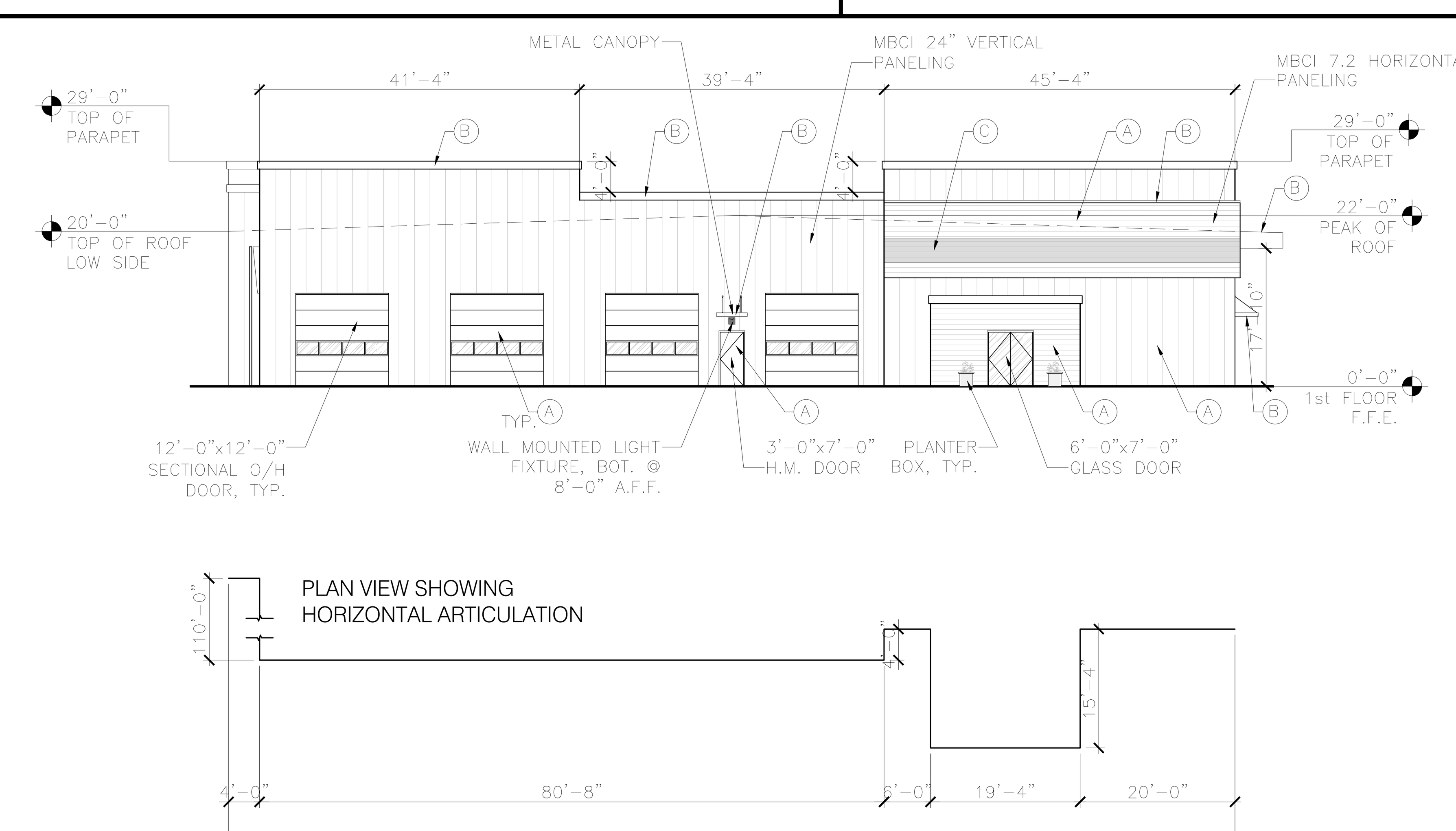
NORTH ELEVATION - McCREE ROAD

SCALE: 1/16"=1'-0"



WEST ELEVATION

SCALE: 1/16"=1'-0"



EAST ELEVATION

SCALE: 1/16"=1'-0"

COLOR LEGEND

- (A) IGLOO WHITE
- (B) LIGHT STONE
- (C) EGGSHELL BLUE-BLACK
- (D) NATURAL PATINA

DESIGN ELEMENTS PROVIDED

- AWNINGS & CANOPIES
- DIVIDED LIGHT WINDOWS
- TRANSOMS
- ORNAMENTAL WINDOWS HEADERS
- VARIED ROOF HEIGHTS
- BENCHES / OUTDOOR SEATING (REFER TO SITE PLAN - SHEET SP1)
- PLANTER BOXES

FACADE ARTICULATION

PER GDC SECTION 4.83 (B) FACADE ARTICULATION:

(1) Horizontal building articulation (facade depth) and vertical building articulation (facade height) is required on all street-facing facades of all nonresidential and multifamily building in the manner and in conformity with the standards provided in Illustration 4-7.

VERTICAL ARTICULATION (for buildings greater than 50 feet in width):
- Minimum of one vertical articulation is required that is at least 20% of the building's total street-facing facade width.
- Height articulation for flat roofs of at least 3' shall be required for every 50' of building facade width. (i.e. - a 150' frontage requires at least 9' of articulation).

	FACADE LENGTH	VERTICAL ARTICULATION		HEIGHT ARTICULATION	
		REQUIRED	PROVIDED	REQUIRED	PROVIDED
SOUTH ELEVATION (Hwy 365)	340'-8"	±68' min. (340'-8" x 20%)	121'-4" at 6' above base parapet ht and 132'-0" at 3' above base parapet ht.	±21' min. (340'-8" / 50' = 6.8) (6.8 x 3 = 20.4)	24'
NORTH ELEVATION (McCree Rd)	340'-8"	±68' min. (340'-8" x 20%)	123'-7"	±21' min. (340'-8" / 50' = 6.8) (6.8 x 3 = 20.4)	26'-6"
WEST ELEVATION	130'-0"	N/A - NOT A STREET-FACING FACADE	39'-4"	N/A - NOT A STREET-FACING FACADE	8'-11"
EAST ELEVATION	130'-0"	N/A - NOT A STREET-FACING FACADE	39'-4"	N/A - NOT A STREET-FACING FACADE	8'-0"

HORIZONTAL ARTICULATION (of buildings greater than 80 feet in width):
- Minimum of one horizontal articulation is required that is at least 30% of the building's total street-facing facade length.
- Depth articulation of at least 4' shall be required for at least 30% of building facade length (i.e. - a 90' frontage requires at least 27' of the frontage to be at least 4' in depth).

	FACADE LENGTH	HORIZONTAL ARTICULATION		DEPTH ARTICULATION	
		REQUIRED	PROVIDED	REQUIRED	PROVIDED
SOUTH ELEVATION (Hwy 365)	340'-8"	±102' min. (340'-8" x 30%)	109'-4"	4' min.	4'
NORTH ELEVATION (McCree Rd)	340'-8"	±102' min. (340'-8" x 30%)	123'-4"	4' min.	4'
WEST ELEVATION	130'-0"	N/A - NOT A STREET-FACING FACADE	80'-8"	N/A - NOT A STREET-FACING FACADE	4'
EAST ELEVATION	130'-0"	N/A - NOT A STREET-FACING FACADE	80'-8"	N/A - NOT A STREET-FACING FACADE	4'

GENERAL NOTES:

REVISIONS:

NO.	DATE	INITIALS	NOTES
1	12/23/20	BLC	REVISED PARAPET HEIGHTS EAST & WEST ELEVS
2			
3			
4			
5			
6			
7			
8			

PROFESSIONAL SEAL:

ARCHITECT LOGO:

AMERCO
REAL ESTATE COMPANY
CONSTRUCTION DEPARTMENT
2727 NORTH CENTRAL AVENUE
PHOENIX, ARIZONA 85004
P: (602) 263-6502

SITE ADDRESS:

U-HAUL OF GARLAND,TX
2700-2950 MCCREE RD
GARLAND, TX 75041

SHEET CONTENTS:

PROPOSED ELEVATIONS
Case No: 190723-2

741060

DRAWN:	BLC	A1.1
CHECKED:	NH	
DATE:	12/10/2020	

741060 A1P

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **4.**

Meeting Date: 02/02/2021

Item Title: Garland Foundation for Development Agreements

Submitted By: John Baker, Assistant City Manager

Summary of Request/Problem

The Garland Foundation for Development considered and authorized these agreements on December 15, 2020.

Recommendation/Action Requested and Justification

Consider by minute action the approval of the East Garland State Highway 66 Project Development Agreement as well as the Mutual Aid and Master Development Agreement between the City of Garland and the Garland Foundation for Development.

Attachments

Hwy 66 Real Property Development Agreement

Mutual Aid Agreement

EAST GARLAND STATE HIGHWAY 66
PROJECT DEVELOPMENT AGREEMENT

Between

THE CITY OF GARLAND

And

THE GARLAND FOUNDATION FOR DEVELOPMENT

This Agreement ("Agreement") is entered into by and between **the City of Garland ("City")**, a Texas home-rule municipality, and **the Garland Foundation for Development ("Foundation")**, a Texas local government corporation created by the City under Subchapter D of Chapter 431 of the Texas Transportation Code. The City and the Foundation are hereinafter sometimes referred to individually as a "Party," or collectively as the "Parties." The parties are authorized to enter into this Agreement under the Constitution and laws of the State of Texas, including specifically, Chapter 380 of the Texas Local Government Code and Chapter 431 of the Texas Transportation Code.

RECITALS:

WHEREAS, Section 52-a of Article III of the Texas Constitution authorizes the Texas Legislature to provide for the creation of programs and the making of loans and grants of public money for the public purposes of development and diversification of the economy of the state, the elimination of unemployment and underemployment in the state;

WHEREAS, Chapter 380, Texas Local government Code ("Chapter 380") provides that the governing body of municipality may establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality;

WHEREAS, pursuant to Resolution No. 9931, the City Council of the City of Garland authorized the creation of the Garland Foundation for Development, Inc., a Texas local government corporation, to aid and act on behalf of the City to accomplish any governmental purpose of the City, including aiding in economic development; and

WHEREAS, the City has determined the acquisition, redevelopment, or development of certain tracts of real property generally located between East Avenue B and East Avenue D, and between South First Street and Dairy Road, is in the best interest of the City, and will promote economic development, increase tax revenue, and stimulate business and commercial activity within the City of Garland.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agrees as follows:

1.0 PROJECT

This Agreement is being entered into for the purpose of developing or redeveloping certain tracts of real property generally described in the above Recitals and more specifically identified in attached Exhibit "A," which is incorporated herein by reference for all purposes (collectively, "Property"), including but not limited to the purchase of the Property, which has generally remained vacant and in poor condition for decades, causing blight to the State Highway 66 East Garland corridor (**"**East Garland State Highway 66 Redevelopment Project**"**).

2.0 TERM

This Agreement shall be effective as of the date the last party to sign executes this Agreement, and shall remain in force and effect until the work associated with the East Garland State Highway 66 Redevelopment Project is complete.

3.0 FOUNDATION OBLIGATIONS

3.1 Any and all funds received from the City pursuant to this Agreement shall be used by the Foundation exclusively for payments and expenditures for the East Garland State Highway 66 Redevelopment Project and for no other purpose without the prior written consent of the City.

3.2 The Foundation shall deposit any funds received from the City into an account maintained, under conditions approved by the City, in a financial institution with Federal deposit insurance coverage.

3.3 During the term of this Agreement, the Foundation shall remain in good standing, preserve its legal authority and right to do business in the State of Texas, maintain its existence as a local government corporation under Chapter 431 of the Texas Transportation Code, shall not dissolve or otherwise dispose of all or any material part of its assets, and shall not combine, consolidate with, or merge into another entity without the prior written consent of the City.

3.4 The Foundation shall furnish the City, at such times and in such forms as the City may require, and upon reasonable advance notice, with statements, records, reports, data and information, as the City may reasonably request pertinent to matters covered by this Agreement.

3.5 The Foundation shall properly, accurately and completely maintain detailed and accurate records and other supporting documentation related to its obligations under this Agreement for the three years following the date of this Agreement, or for an amount of time as required by law, whichever date is later. The records shall include financial statements kept in accordance with generally accepted accounting principles, and will be made available for audit, inspection and/or copying by the City or its designee at all reasonable times and upon reasonable notice. The Foundation shall maintain an internal control structure designed to provide assurance that assets are safeguarded from loss or unauthorized use, that transactions are executed in accordance with the Foundation's authority, and that financial records are reliable for the purposes of preparing financial statements. Upon request from the City, the Foundation shall deliver to the City a copy of all financial statements of the Foundation issued during, or covering periods included in the term of this Agreement.

4.0 OBLIGATIONS OF PARTIES

4.1 The City shall grant to the Foundation funds necessary to acquire, maintain, develop, market, lease or sale the Property, or portions thereof ("Grant Funds").

4.2 Any real property purchased by the Foundation, or conveyed by the City to the Foundation pursuant to this Agreement, shall be held on behalf of the City for any purpose that is consistent with the intent of this Agreement and may not be sold to a third party purchaser without prior approval of the City.

4.3 The Grant Funds shall be periodically disbursed to the Foundation upon request of the Foundation with submission of a complete and accurate proposal, supporting documentation, as requested by the City, to evaluate the proposed disbursement of funds and give final approval for the proposed expenditure. The Foundation shall use any Grant Funds distributed by the City for only the purposes described within the documentation submitted to, and approved by, the City.

4.4 The Parties agree that from time to time the Property, or any individual lot or tract therein, may be transferred, sold, or conveyed, from one Party to the other to promote the common good, general welfare, commerce, public work projects, economic development, and other governmental functions of the City.

5.0 DEFAULT AND TERMINATION.

5.1 Default by Foundation. Each of the following shall be deemed to be an event of default ("Foundation Default"):

5.1.1 The Foundation fails to perform any material obligation required to be performed by it under this Agreement and such failure continues for thirty (30) days after receipt of written notice from the City; provided, however if the alleged default is curable, but not curable within such 30 day period, an Event of Default shall not be deemed to occur, if the Foundation commences to cure the failure within the 30 day period and diligently pursues the cure to a successful conclusion;

5.1.2. Any express representation or warranty made by the Foundation herein or any statement or representations made in any written certificate, statement or opinion delivered to City pursuant to this Agreement shall prove to have been materially incorrect as of the date made; or

5.1.3 Foundation shall admit in writing its inability to pay its debts generally as they become due, make an assignment for the benefit of creditors, file a petition in bankruptcy, be adjudicated insolvent or bankrupt, petition or apply to any tribunal for the appointment of any receiver or trustee thereof or of any substantial part of its property or commence any proceedings under any arrangement, readjustment of debt, or statute of any jurisdiction, whether now or hereafter in effect; or there is commenced against Foundation any such proceeding which is not dismissed within sixty (60) days.

5.2 City's Remedies. Upon the occurrence of an Event of Default, the City may at any time thereafter, and upon ten days' prior written notice to the Foundation take any or all of the following action:

5.2.1 Suspend or terminate payment of the Grant Funds in whole or in part;

5.2.2 Terminate this Agreement in whole or in part;

5.2.3 Take such other action and exercise any remedy available to the City at law or in equity for breach of this Agreement by the Foundation; all such remedies being cumulative; and

5.2.4 Recapture any previously awarded Grant Funds.

5.3 Default by City. Each of the following shall be deemed to be an event of default ("City Default"):

5.3.1 The City fails to perform any material obligation required to be performed by it under this Agreement and such failure continues for thirty (30) days after receipt of written notice from the Foundation; provided, however if the alleged default is curable, but not curable within such 30 day period, an Event of Default shall not be deemed to occur, if the City commences to cure the failure within the 30 day period and diligently pursues the cure to a successful conclusion;

5.3.2. Any express representation or warranty made by the City herein or any statement or representations made in any written certificate, statement or opinion delivered to the Foundation pursuant to this Agreement shall prove to have been incorrect as of the date made; or

5.3.3. The City shall file a petition in bankruptcy, be adjudicated insolvent or bankrupt, or there is commenced against the City any such proceeding which is not dismissed within sixty (60) days.

5.4 Foundation's Remedies. Upon the occurrence of an Event of Default, the Foundation may at any time thereafter, and upon ten days' prior written notice to City take any or all of the following action:

5.4.1 Terminate this Agreement in whole or in part; and

5.4.2 Take such other action and exercise any remedy available to the Foundation at law or in equity for breach of this Agreement by City; all such remedies being cumulative.

6.0 INEDMNITY AND CLAIMS

6.1 Indemnity. TO THE EXTENT PERMITTED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, AND WITH FULL RESERVATION OF ALL DEFENSES AND IMMUNITIES AVAILABLE UNDER LAW, THE FOUNDATION SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY, AND ITS OFFICERS, APPOINTED OR ELECTED OFFICIALS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "INDEMNIFIED PARTIES"), FROM AND

AGAINST ALL COSTS, EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES, EXPENSES, AND COURT COSTS), LIABILITIES, DAMAGES, CLAIMS, SUITS, ACTIONS, AND CAUSES OF ACTIONS WHATSOEVER ("CLAIMS") ASSERTED AGAINST THE CITY, TO THE EXTENT ARISING OUT OF (A) A BREACH OF THIS AGREEMENT OR VIOLATION OF LAW BY THE FOUNDATION, ITS OFFICERS, AGENTS, EMPLOYEES, SUCCESSORS OR ASSIGNS, (COLLECTIVELY THE "INDEMNIFYING PARTIES"), (B) A FALSE REPRESENTATION OR WARRANTY MADE BY THE INDEMNIFYING PARTIES, OR (C) THE NEGLIGENCE, WILLFUL MISCONDUCT, OR BREACH OF A STANDARD OF STRICT LIABILITY BY AN INDEMNIFYING PARTY IN CONNECTION WITH THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT.

The City shall give the Foundation written notice of a Claim asserted against an Indemnified Party. The Foundation shall assume on behalf of the Indemnified Parties and conduct with due diligence and in good faith the defense of all Claims against the Indemnified Parties. The Indemnified Parties shall have the right, but not the obligation, to participate in the defense of any claim or litigation with attorneys of their own selection without relieving the Foundation of any obligations hereunder.

8.0 GENERAL PROVISIONS

8.1 Compliance with the Law. Foundation shall comply with all applicable laws, ordinances, codes, and regulations of local, state, and federal governments.

8.2 Assignment. The Foundation may not assign or transfer this Agreement in whole or in party without the prior written consent of City, which the City may grant, deny or condition in its absolute discretion.

8.3 Entire Agreement. This Agreement contains the entire agreement between the parties. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement. This Agreement may only be amended, altered or revoked by written instrument signed by the City and Foundation.

8.4 Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties, and their respective successors and authorized assigns.

8.5 Severability. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement, which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

8.6 No Third Party Beneficiaries. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

8.7 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.

8.8 Anti-Boycott Verification. Pursuant to Section 2271.002, Texas Government Code, to the extent this Agreement is a contract for goods or services, Foundation hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not Boycott Israel and, subject to or as otherwise required by applicable Federal law, Foundation agrees not to Boycott Israel during the term of this Agreement. For purposes of this Section, "Boycott Israel" shall have the meaning given such term in Section 808.001, Texas Government Code. Foundation understands "affiliate" for this Section 4.07 to mean an entity that controls, is controlled by, or is under common control with Foundation and exists to make a profit.

8.9 Prohibition on Contracts with Certain Companies. Foundation and the person or persons executing this Agreement on behalf of Foundation, or representing themselves as executing this Agreement on behalf of Foundation (collectively, the "Signing Entities"), hereby acknowledge that (a) the Signing Entities do not engage in business with Iran, Sudan or any foreign terrorist organization and (b) the Signing Entities are not named on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf

8.10 Independent 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, joint venture, or employment, 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. Neither party has the authority to enter into contracts or to assume any obligation for the other, nor to make warranties or representations on behalf of the other except in accordance with the express terms of this Agreement or as otherwise authorized in writing by the other.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives in Garland, Dallas County, Texas.

GARLAND FOUNDATION FOR DEVELOPMENT, INC.

By: ___________________________________

Name: John Baker
Title: Executive Director
Date: _____________________________

CITY OF GARLAND

By: ___________________________________

Name: Scott LeMay
Title: Mayor
Date: _____________________________

MUTUAL AID AND MASTER DEVELOPMENTAGREEMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This Mutual Aid and Master Development Agreement ("Agreement"), effective as of the ___ day of ____________, 2020, is entered into by, between and among the City of Garland, a Texas home-rule municipality ("City"), the Garland Foundation for Development, Inc., a Texas local government corporation created pursuant to Subchapter D, Chapter 431 of the Texas Transportation Code, Chapter 394 of the Texas Local Government Code, and the Non-Profit Corporation Act ("Foundation") (collectively, "Parties").

RECITALS

WHEREAS, pursuant to Resolution No. 9931, the City Council of the City of Garland authorized the creation of the Garland Foundation for Development, Inc., a Texas local government corporation;

WHEREAS, the Foundation was organized to aid and assist the City in the performance of its Governmental functions and services, to promote the common good and general welfare of the City, and to promote, develop, encourage and maintain government facilities, public works projects, commerce, and economic development in the City;

WHEREAS, Mutual Aid in the context contemplated herein is a "Governmental function and service" and that the Parties are "Local governments" as those terms are defined in the Interlocal Cooperation Act, Texas Government Code Chapter 791; and

WHEREAS, the Parties have determined that it is in their collective best interests to voluntarily aid and assist each other in the performance of their Governmental functions, to promote the common good, general welfare, commerce, and economic development in the City.

TERMS

1. Capitalized terms used but not otherwise defined in this Agreement shall have the respective meanings as set forth in Chapter 791 of the Texas Government Code.

2. The Parties agree that each Party will furnish such personnel, equipment, facilities, or services as are reasonably available and necessary to aid and assist one another in the performance of their Governmental functions and services, including Administrative Functions, to promote the common good, general welfare, commerce, and economic development for the City.

3. The Parties agree that from time to time assets, including real property, may be transferred, sold, or conveyed, from one Party to the other to promote the common good, general welfare, commerce, public work projects, economic development, and other governmental functions of the City.

4. The Foundation shall furnish the City, at such times and in such forms as the City may require, and upon reasonable advance notice, with statements, records, reports, data and information, as the City may reasonably request pertinent to matters covered by this Agreement.

5. The Foundation shall properly, accurately, and completely maintain detailed and accurate records and other supporting documentation related to its obligations under this Agreement for the three years following the date of this Agreement, or for an amount of time as required by law, whichever date is later. The records shall include financial statements kept in accordance with generally accepted accounting principles, and will be made available for audit, inspection and/or copying by the City or its designee at all reasonable times and upon reasonable notice. The Foundation shall maintain an internal control structure designed to provide assurance that assets are safeguarded from loss or unauthorized use, that transactions are executed in accordance with the Foundation's authority, and that financial records are reliable for the purposes of preparing financial statements. Upon request from the City, the Foundation shall deliver to the City a copy of all financial statements of the Foundation issued during, or covering periods included in the term of this Agreement.

6. Effective Date. This agreement shall become effective as to each party when approved and executed by that public entity. The Agreement shall remain in effect as between each and every party until participation in this Agreement is terminated by either Party in writing. \

7. Compliance with the Law. Foundation shall comply with all applicable laws, ordinances, codes, and regulations of local, state, and federal governments.

8. Assignment. The Foundation may not assign or transfer this Agreement in whole or in party without the prior written consent of City, which the City may grant, deny or condition in its absolute discretion.

9. Entire Agreement. This Agreement contains the entire agreement between the parties. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement. This Agreement may only be amended, altered or revoked by written instrument signed by the City and Foundation.

10. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties, and their respective successors and authorized assigns.

11. Severability. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement, which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

12. No Third Party Beneficiaries. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

13. 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.

14. Anti-Boycott Verification. Pursuant to Section 2271.002, Texas Government Code, to the extent this Agreement is a contract for goods or services, Foundation hereby represents that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not Boycott Israel and, subject to or as otherwise required by applicable Federal law, Foundation agrees not to Boycott Israel during the term of this Agreement. For purposes of this Section, "Boycott Israel" shall have the meaning given such term in Section 808.001, Texas Government Code. Foundation understands "affiliate" for this Section 4.07 to mean an entity that controls, is controlled by, or is under common control with Foundation and exists to make a profit.

15. Prohibition on Contracts with Certain Companies. Foundation and the person or persons executing this Agreement on behalf of Foundation, or representing themselves as executing this Agreement on behalf of Foundation (collectively, the "Signing Entities"), hereby acknowledge that (a) the Signing Entities do not engage in business with Iran, Sudan or any foreign terrorist organization and (b) the Signing Entities are not named on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

    https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
    https://comptroller.texas.gov/purchasing/docs/iran-list.pdf or
    https://comptroller.texas.gov/purchasing/docs/fto-list.pdf

16. Independent 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, joint venture, or employment, 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. Neither party has the authority to enter into contracts or to assume any obligation for the other, nor to make warranties or representations on behalf of the other except in accordance with the express terms of this Agreement or as otherwise authorized in writing by the other.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives in the City of Garland, Dallas County, Texas.

GARLAND FOUNDATION FOR DEVELOPMENT, INC.

By: ______________________________

Name: ______________________________
Title: ______________________________
Date: ______________________________

CITY OF GARLAND

By: ______________________________

Name: ______________________________
Title: ______________________________
Date: ______________________________

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **5.**

Meeting Date: 02/02/2021

Item Title: Resolution Ratifying Contract Amendment and Settlement Agreement with NTMWI

Submitted By: Brad Neighbor, City Attorney

Summary of Request/Problem

This matter was briefed to the City Council as a written briefing on the February 1, 2021 work session agenda. Council is requested to approve a formal, written resolution documenting the previous authorization given to the City Manager and City Attorney to execute documents settling the water rate case dispute. That settlement was agreed to by all parties and is in place. In order to accommodate a request for assistance by the water district as it prepares to issue bonds, Council is requested to approve the attached resolution.

Recommendation/Action Requested and Justification

Approve the attached resolution.

Attachments

Resolution ratifying water rate case settlement

RESOLUTION NO.

A RESOLUTION RATYIFYING THE APPROVAL AND THE EXECUTION OF A SETTLEMENT AGREEMENT AND A FIRST AMENDMENT TO THE NORTH TEXAS MUNICIPAL WATER DISTRICT REGIONAL WATER SUPPLY FACILITIES AMENDATORY CONTRACT; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

Section 1

The City of Garland (the "City") hereby ratifies in all respects all actions taken by the City Manager and the City Attorney of the City in the approval and execution of the Settlement Agreement relating to PUCT Docket Nos. 46662, 4783, 49043, and 50382 (the "Settlement Agreement") and the "First Amendment to North Texas Municipal Water District Regional Water Supply Facilities Amendatory Contract"(the "Amendment") with North Texas Municipal Water District in substantially the form and substance attached to this Resolution as Exhibits A and B, respectively, and made a part hereof for all purposes.

Section 2

The Settlement Agreement and the Amendment shall each be binding upon the City in accordance with their respective terms and provisions, each as of the effective date specified therein.

Section 3

That this Resolution shall be and become effective immediately upon and after its adoption and approval.

PASSED AND APPROVED this the ___ of February, 2021.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **6.**

Meeting Date: 02/02/2021

Item Title: Resolution Authorizing TexPool Participation and Designating Amegy Bank as Authorized Representatives of TWDB Escrow Accounts

Submitted By: Matt Watson, Finance Director

Summary of Request/Problem

Consider a resolution authorizing Zions Bancorporation, National Association, Amegy Bank Division (Amegy Bank) to participate in TexPool Investment Pools and designating Authorized Representatives of Amegy Bank to perform and inquire on two Texpool escrow accounts established by the City of Garland to earn interest on Texas Water Development bond proceeds and grant proceeds associated with the multi-year Radio Read Water Meter Retrofit project approved in the 2020 CIP.

Recommendation/Action Requested and Justification

Approve a resolution authorizing Texpool Participation and Designating Amegy Bank as Authorized Representatives of TWDB Escrow Accounts.

Attachments

TexPool Resolution

TexPool Participation Agreement

Resolution Authorizing Participation in the TexPool Investment Pools and Designating Authorized Representatives

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

WHEREAS, City of Garland, Texas Zions Bancorporation, N.A. dba Amegy Bank, as Trustee
("**Participant**") is a local government or state agency of the State of Texas and is empowered to delegate to the public funds investment pools the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pools ("**TexPool/TexPool Prime**"), public funds investment pools, were created on behalf of entities whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

A. That Participant shall enter into a Participation Agreement to establish an account in its name in TexPool/TexPool Prime, for the purpose of transmitting local funds for investment in TexPool/TexPool Prime.

B. That the individuals, whose signatures appear in this Resolution, are authorized representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool/TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

Authorized Representatives of the Participant

These individuals will be issued P.I.N. numbers to transact business via telephone with a Participant Service Representative.

1. Signature: Margaret Askandari — Telephone Number: 7132326098
   Printed Name: Margaret Askandari — Fax Number: 8445272686
   Title: Assistant Vice President — Email: margaret.askandari@amegybank.com

2. Signature: [signature] — Telephone Number: 7132326017
   Printed Name: Charmaine Hunter — Fax Number: 8445272686
   Title: Vice President — Email: Charmaine.Hunter@amegybank.com

3. Signature: Ashley Reed — Telephone Number: 7132321909
   Printed Name: Ashley Reed — Fax Number: 8445272686
   Title: Vice President — Email: Ashley.Reed@amegybank.com

4. Signature: Andrea Abbott — Telephone Number: 7132326093
   Printed Name: Andrea Abbott — Fax Number: 8445272686
   Title: Vice President — Email: andrea.abbott@amegybank.com

Authorized Representatives of the Participant (continued)

5. Robert Lozano
Signature

Robert Lozano
Printed Name

Vice President
Title

7 1 3 2 3 2 1 9 1 9
Telephone Number

8 4 4 5 2 7 2 6 8 6
Fax Number

robert.lozano@amegybank.com
Email

List the name of the Authorized Representative provided above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Margaret Askandari
Printed Name

In addition and at the option of the Participant, one additional authorized representative can be designated to perform inquiry only of selected information. This limited representative cannot make deposits or withdrawals. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

1. Matthew Watson
Printed Name

Cheif Financial OOficer
Title

9 7 2 2 0 5 2 3 5 5
Telephone Number

Fax Number

MWatson@garlandtx.gov
Email

C. That this resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool/TexPool Prime receives a copy of any such amendment or revocation.

This resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the

__ day of ________, 2 0 __.

Document is to be signed by a Board Officer, Mayor or County Judge and attested by a Board Officer, City Secretary or County Clerk.

Name of Participant

SIGNED:

Signature

Printed Name

Mayor
Title

ATTEST:

Signature

Printed Name

City Secretary
Title

TexPool Investment Pools Participation Agreement

Preamble

This participation agreement (the "**Agreement**") is made and entered into by and between the Comptroller of Public Accounts (the "**Comptroller**"), acting through the Texas Treasury Safekeeping Trust Company (the "**Trust Company**"), Trustee of the Texas Local Government Investment Pool (TexPool) and TexPool Prime, (collectively the "**TexPool Investment Pools**"), and City of Garland, Tx Zions Bancorporation, N.A. dba Amegy Bank (the "**Participant**").

WHEREAS, the Interlocal Cooperation Act, TEX GOV'T CODE ANN, ch. 791 and the Public Funds Investment Act, TEX. GOV'T CODE ANN. ch. 2256 (the "Acts") provide for the creation of a public funds investment pool to which any local government or state agency may delegate, by contract, the authority to hold legal title as custodian and to make investments purchased with local funds;

WHEREAS, the Trust Company is a special purpose trust company authorized pursuant to TEX. GOV'T CODE ANN. § 404.103 to receive, transfer and disburse money and securities belonging to state agencies and local political subdivisions of the state and for which the Comptroller is the sole officer, director and shareholder;

WHEREAS, TexPool and TexPool Prime are public funds investment pools, which funds are invested in certain eligible investments as more fully described hereafter;

WHEREAS, the Participant has determined that it is authorized to invest in a public funds investment pool created under the Acts and to enter into this Agreement;

WHEREAS, the Participant acknowledges that the Trust Company is not responsible for independently verifying the Participant's authority to invest under the Acts or to enter this Agreement;

WHEREAS, the Participant acknowledges that the performance of TexPool Investment Pools is not guaranteed by the State of Texas, the Comptroller, or the Trust Company and that there is no secondary source of payment for the TexPool Investment Pools; and

WHEREAS, in an effort to ensure the continued availability of an investment pool as a vehicle for investment of local government funds and simultaneously provide for enhancement in services and potential decreases in management and administrative fees, Participant and Trust Company desire to provide in this Agreement that the Trust Company may obtain private professional investment management and related services.

NOW THEREFORE, for and in consideration of the mutual promises, covenants and agreements herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree with each other as follows:

Article I: Definitions

"Account" shall mean any account or accounts, established by the Participant in TexPool Investment Pools in accordance with this Agreement and the Operating Procedures (as defined herein), which Account represents an undivided beneficial ownership in TexPool Investment Pools.

"Authorized Investments" shall mean those investments which are authorized by the Investment Act (as herein defined) for investment of public funds.

"Authorized Representative(s) of the Participant" shall mean any individual who is authorized to execute documents and take such other necessary actions under this Agreement as evidenced by the duly enacted Resolution of the Participant.

"Authorized Representative(s) of the Trust Company" shall mean any employee of the Comptroller or Trust Company who is designated in writing by the Comptroller or the Trust Company's Chief Executive Officer to act as the authorized Trust Company representative for purposes of this Agreement and shall include employees of any private entity performing the obligations of the Comptroller under this Agreement.

"Board" shall mean the advisory board provided for in the Investment Act (as defined below).

"Investment Act" shall mean the Public Funds Investment Act, TEX. GOV'T CODE ANN. ch. 2256, as amended from time to time.

"Investment Policy" shall mean the written TexPool Investment Pools Investment Policies, as amended from time to time, relating to the investment and management of funds in TexPool Investment Pools as established by the Trust Company consistent with the Investment Act.

"Letter of Instruction" shall mean a written authorization and direction to the Trust Company signed by an Authorized Representative of the Participant.

Article I: Definitions (continued)

"Operating Procedures" shall mean the written procedures established by the Trust Company describing the management and operation of TexPool Investment Pools, and providing for the establishment of, deposits to and withdrawals from the Accounts, as amended from time to time.

"Participant" shall mean any entity authorized by the Acts to participate in a public funds investment pool that has executed this Agreement pursuant to a Resolution.

"Resolution" shall mean the resolution adopted by the governing body of a local governmental entity authorizing the entity's participation in TexPool Investment Pools and designating persons to serve as Authorized Representatives of the Participant.

Article II: General Administration

Section 2.01. TexPool Investment Pools Defined.

(a) TexPool Investment Pools are public funds investment pools created pursuant to the Acts.

(b) Subject to Section 6.10, the Trust Company agrees to manage the Participant's Account(s) in accordance with the Investment Act and the Investment Policy.

Section 2.02. Board.

(a) The Board is composed of members appointed pursuant to the requirements of the Investment Act.

(b) The Board shall advise the Trust Company on the Investment Policy and on various other matters affecting TexPool Investment Pools, and shall approve fee increases.

Section 2.03. General Administration.

(a) The Trust Company shall establish and maintain the Investment Policy specifically identifying the Authorized Investments consistent with the Investment Act and the general policy and investment goals for TexPool Investment Pools.

(b) The Trust Company shall establish and maintain the Operating Procedures, describing the management and operation of TexPool Investment Pools and providing for procedures to be followed for the establishment of, deposits to, and withdrawals from the Accounts and such other matters as are necessary to carry out the intent of this Agreement.

(c) The Trust Company shall have the power to take any action necessary to carry out the purposes of this Agreement, subject to applicable law and the terms of this Agreement.

Section 2.04. Ownership Interest. Each Participant shall own an undivided beneficial interest in the assets of TexPool Investment Pools in an amount proportional to the total amount of such Participant's Accounts relative to the total amount of all Participants' Accounts in TexPool Investment Pools, computed on a daily basis.

Section 2.05. Independent Audit. TexPool Investment Pools are subject to annual review by an independent auditor consistent with Ch. 2256, TEX GOV'T CODE ANN. In addition, reviews of TexPool Investment Pools may be conducted by the State Auditor's Office and the Comptroller's office. The Trust Company may obtain such legal, accounting, financial or other professional services as it deems necessary or appropriate to assist TexPool Investment Pools in meeting its goals and objectives.

Section 2.06. Liability. Any liability of the Comptroller, the Comptroller's office, the Trust Company, representatives or agents of the Trust Company, any Comptroller employee, Trust Company or any member of the Board for any loss, damage or claim, including losses from investments and transfers, to the Participant shall be limited to the full extent allowed by applicable laws. The Trust Company's responsibilities hereunder are limited to the management and investment of TexPool Investment Pools and the providing of reports and information herein required.

Article III: Participant Requirement

Section 3.01. The Participation Agreement. The Participant must execute this Agreement and provide a Resolution authorizing participation in TexPool Investment Pools and designating persons to serve as Authorized Representatives of the Participant and any other documents as are required under, and substantially in the form prescribed by, the Operating Procedures before depositing any funds into TexPool Investment Pools. The Participant must provide an updated Resolution designating Authorized Representatives within 5 business days of the departure of any Authorized Representative of the Participant.

Section 3.02. Operating Procedures.

(a) The Participant acknowledges receipt of a copy of the Operating Procedures. The Operating Procedures describe in detail the procedures required for the establishment of accounts, deposits to and withdrawals from TexPool Investment Pools, and related information.

(b) The Operating Procedures may be modified by the Trust Company as appropriate to remain consistent with established banking practices and capabilities and when such modification is deemed necessary to improve the operation of TexPool Investment Pools.

(c) The Participant hereby concurs with and agrees to abide by the Operating Procedures.

Article IV: Investments

Section 4.01. Investments. All monies held in TexPool Investment Pools shall be invested and reinvested by the Trust Company or Authorized Representatives of the Trust Company only in Authorized Investments in accordance with the Agreement, the Investment Policy and the Investment Act. Participant hereby concurs with any such investment so made by the Trust Company. Available funds of TexPool Investment Pools that are uninvested may be held at the Trust Company's account at the Federal Reserve Bank of Dallas, or any designated custodian account, or with a custodian selected by the Trust Company. All investment assets and collateral will be in the possession of the Trust Company and held in its book-entry safekeeping account at the Federal Reserve Bank, any designated custodian account, or with a custodian selected by the Trust Company.

Section 4.02. Failed Investment Transaction. In the extraordinary event that a purchase of securities results in a failed settlement, any resulting uninvested funds shall remain in the Trust Company's Federal Bank of Dallas account, any designated custodian account or with a custodian selected by the Trust Company. If an alternative investment can be secured after the failure of the trade to settle, TexPool Investment Pools will receive all the income earnings, including but not limited to, any compensation from the purchaser failing in the trade and the interest income from the alternative investment.

Section 4.03. Investment Earnings and Losses Allocation. All interest earnings in TexPool Investment Pools will be valued daily and credited to the Participant's Accounts monthly, on a pro rata allocation basis. All losses, if any, resulting from the investment of monies in TexPool shall also be allocated on a pro rata allocation basis. All earnings and losses will be allocated to the Participant's Accounts in accordance with generally accepted accounting procedures.

Section 4.04. Commingling of Accounts. Participant agrees that monies deposited in TexPool and TexPool Prime, may be commingled with all other monies held in TexPool and TexPool Prime, respectively for purposes of common investment and operational efficiency. However, each Participant will have separate Accounts on the books and records of TexPool Investment Pools, as further provided for in the Operating Procedures.

Article V: Fees, Expenses and Reports

Section 5.01. Fees and Expenses. The Participant agrees to pay the amount set forth in the fee schedule. Participant agrees that all fees shall be directly and automatically assessed and charged against the Participant's Accounts. The basic service fee shall be calculated as a reduction in the daily income earned, thus only the net income shall be credited to the Participant's Account. Fees for special services shall be charged to each Participant's account as they are incurred or performed. A schedule of fees shall be provided to the Participant annually. Each Participant will be notified thirty (30) days prior to the effective date of any change in the fee schedule.

Section 5.02. Reports. A monthly statement will be mailed to the Participant within the first five (5) business days of the succeeding month. The monthly statement shall include a detailed listing of the balance in the Participant's Accounts as of the date of the statement; all account activity, including deposits and withdrawals; the daily and monthly yield information; and any special fees and expenses charged. Additionally, copies of the Participant's reports in physical or computer form will be maintained for a minimum of three prior fiscal years. All records shall be available for inspection at all reasonable hours of the business day and under reasonable conditions.

Section 5.03. Confidentiality. The Trust Company and any private entity acting on behalf of the Trust Company for purposes of this Agreement will maintain the confidentiality of the Participant's Accounts, subject to the Public Information Act, TEX GOV'T CODE ANN. ch. 552, as amended.

Article VI: Miscellaneous

Section 6.01. Notices. Any notices, Letters of Instructions or other information required or permitted to be given hereunder shall be submitted in writing and shall be deemed duly given when deposited in the U.S. mail postage prepaid or successfully transmitted via facsimile addressed to the parties as follows:

To the ***Participant***:

City of Garland, Tx Zions Bancorporation, N.A. dba Amegy Bank
Participant

1801 Main St. 4th Floor
Address

Houston, TX 77002
City, State, Zip

7132326098 | 8445272686
Telephone | Fax

To ***Trust Company*** with respect to contractual matters or disputes under this Agreement:

Texas Treasury Safekeeping Trust Company
Attn: TexPool Investment Pools
Rusk State Office Building
208 East 10th Street
Austin, TX 78701
Telephone: (512) 463-3716
FAX No.: (512) 463-0823

To ***TexPool Investment Pools*** with respect to operational matters, including enrollment documents; changes to Authorized Representatives; Bank Information Sheets; initiation of deposits or withdrawals of funds; changes to addresses; audit confirmation requests; and account inquiry:

TexPool Participant Services
C/O Federated Investors Inc.
1001 Texas Ave., Suite 1150
Houston, TX 77002
Telephone: 1-866-839-7665 (1-866-TEX-POOL)
FAX No.: 1-866-839-3291 (1-866-TEX-FAX1)

The Participant and the Trust Company agree to notify the other of any change affecting this information and agree that unless and until so notified, the other party shall be entitled to rely on the last information provided.

Section 6.02. Taxpayer Identification Number. The Participant's taxpayer identification number assigned by the Internal Revenue Service is: 75-6000534. The Participant hereby agrees to notify the Trust Company of any change affecting this Taxpayer Identification number and agrees that unless and until so notifies, the Trust Company shall be entitled to rely on same in providing any and all reports or other information necessary or required by the Federal tax laws as amended from time to time.

Section 6.03. Severability. If any provision of this Agreement shall be held or deemed to be in fact illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 6.04. Execution of Counterparts. This Agreement may be simultaneously executed in several separate counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6.05. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any dispute under this Agreement shall be in Travis County, Texas.

Section 6.06. Captions. The captions or headings in this Agreement are for convenience only and in no way defined, limit or describe the scope or intent of any provisions, articles or sections of this Agreement.

Section 6.07. Amendments.

(a) The Trust Company shall advise the Participant in writing of any amendments to this Agreement no less than 45 days prior to the effective date of such amendment. The Participant may ratify the proposed amendment of this Agreement by letter to the Trust Company. If the Participant elects not to ratify the amendment, the Participant may terminate this Agreement in accordance with Section 6.08. In the event the Participant fails to respond in writing to a notice of amendment prior to the effective date of such amendment, this Agreement shall be deemed amended.

(b) The Trust Company may periodically revise the Operating Procedures from time to time as it deems necessary for the efficient operation of TexPool Investment Pools. The Participant will be bound by any amendment to the Operating Procedures with respect to any transaction occurring subsequent to the time such amendment takes effect, provided, however, that no such amendment shall affect the Participant's right to cease to be a Participant.

Section 6.08. Termination. This Agreement may be terminated by either party hereto, with or without cause, by tendering 30 days prior written notice in the manner set forth in Section 6.01 hereof.

Section 6.09. Term. Unless terminated in accordance with Section 6.08, this Agreement shall be automatically renewed on each anniversary date hereof.

Section 6.10. Assignment. The Trust Company may enter into an agreement with a third party investment manager to perform its obligations and service under this Agreement, provided that such third party investment manager shall manage TexPool Investment Pools according to the Investment Act, Investment Policy and in a manner consistent with that directed by the Trust Company. The Trust Company also shall have the right to assign its rights and obligations under the Agreement to a third party investment manager if the Trust Company determines that such assignment is in the best interest of the State and Participants. In the event a successor pool to TexPool or TexPool Prime is deemed by the Trust Company to be in the best interest of the State and the Participant, the Trust Company may take any action it deems necessary to assign its rights and benefits under any third party agreements and transfer the assets from TexPool Investment Pools to any successor pool.

Form Continues on Next Page

Article VI: Miscellaneous (continued)

In **Witness Whereof**, the parties hereto have caused this Agreement to be executed as of the dates set forth below, and the Agreement shall be effective as of the latest such date.

PARTICIPANT:

Signature

Printed Name

Mayor

Title

Date

TEXAS TREASURY SAFEKEEPING TRUST COMPANY COMPTROLLER OF PUBLIC ACCOUNTS:

Signature

Printed Name

Title

Date

CERTIFICATE OF INCUMBENCY:

The preceding signatory is a duly appointed, acting, and qualified officer of the Participant, who, in the capacity set forth above is authorized to execute this Agreement.

IN WITNESS WHEREOF, I have duly executed this certificate as of the ____ day of ____________, 20__.

Signature

Printed Name

Title

GARLAND
CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **7.**

Meeting Date: 02/02/2021

Item Title: Optional Redemption of Tax Notes

Submitted By: Matt Watson, Finance Director

Summary of Request/Problem

When Council approved the issuance of $24,860,000 Tax Notes, Series 2020 on September 15, 2020, it was contemplated that the City would exercise the call provision to redeem the notes prior to the scheduled maturity date of November 15, 2021. Staff requests Council consider approving a resolution to redeem the Tax Notes, Series 2020 as contemplated.

Recommendation/Action Requested and Justification

Approve a resolution to call $24,860,000 of Tax Notes, Series 2020.

Attachments

Garland Tax Notes Resolution

RESOLUTION NO. ______

A RESOLUTION providing for the redemption of certain outstanding City of Garland, Texas, Tax Notes, Series 2020; and resolving other matters incident and related to the redemption of such obligations.

WHEREAS, pursuant to Ordinance No. 7170 (the "Ordinance") passed and adopted by the City Council (the "Council") of the City of Garland, Texas (the "City"), the following described obligations were duly authorized to be issued and are currently outstanding, to wit: City of Garland, Texas, Tax Notes, Series 2020, dated September 1, 2020, maturing on November 15, 2021, and aggregating in principal amount $24,860,000; and

WHEREAS, the above identified obligations were authorized, issued, sold and delivered subject to the right and authority of the City to redeem the same prior to maturity, as provided in the Ordinance and in said obligations; and

WHEREAS, the Council hereby finds and determines that obligations of such series should be redeemed prior to their maturity on the date and in the manner hereinafter provided and in accordance with the requirements prescribed therefor and notice of redemption of such obligations should be approved and authorized to be given at this time by the Council; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS:

SECTION 1: The tax notes of the series known as "City of Garland, Texas, Tax Notes, Series 2020," dated September 1, 2020, maturing on November 15, 2021, and aggregating in principal amount $24,860,000, shall be redeemed and the same are hereby called for redemption on February 15, 2021, at the price of par plus accrued interest to the date of redemption. The Mayor and the City Secretary are hereby authorized and directed to file a copy of this Resolution, together with a suggested form of notice of redemption to be sent to noteholders, with Zions Bancorporation, National Association, Amegy Bank Division, the current paying agent/registrar for such obligations, in accordance with the redemption provisions applicable to such obligations; such suggested form of notice of redemption being attached hereto as **Exhibit A** and incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 2: The Mayor or Mayor Pro Tem and the City Secretary of the City are hereby authorized and directed to make all arrangements necessary to notify the holders of such obligations of the City's decision to redeem such obligations on the date and in the manner herein provided and in accordance with the Ordinance.

SECTION 3: It is officially found, determined, and declared that the meeting at which this Resolution 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 Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 4: This Resolution shall be in force and effect from and after its passage on the date shown below.

PASSED AND ADOPTED, this February 2, 2021.

CITY OF GARLAND, TEXAS

____

Mayor

ATTEST:

____

City Secretary

(City Seal)

EXHIBIT A

NOTICE OF REDEMPTION

CITY OF GARLAND, TEXAS
TAX NOTES, SERIES 2020
Dated September 1, 2020

NOTICE IS HEREBY GIVEN that all notes of the above series maturing on November 15, 2021 and aggregating in principal amount $24,860,000, have been called for redemption on February 15, 2021 at the redemption price of par and accrued interest to the date of redemption.

ALL SUCH NOTES shall become due and payable on February 15, 2021, and interest thereon shall cease to accrue from and after said redemption date and payment of the redemption price of said obligations shall be paid to the registered owners of the obligations only upon presentation and surrender of such obligations to Zions Bancorporation, National Association, Amegy Bank Division, 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 obligations and pursuant to a resolution by the City Council of the City of Garland, Texas.

Zions Bancorporation, National Association, Amegy Bank Division
1801 Main Street, Suite 1190
Houston, Texas 77002

GARLAND
POLICY REPORT

City Council Regular Session Agenda **8.**

Meeting Date: 02/02/2021
Item Title: Library Master Plan Final Adoption
Submitted By: Karen Archibald, Library Director
Strategic Focus Areas: Growing Economic Base
Well-Maintained City Infrastructure
Enhanced Quality of Life through Amenities, Arts, and Events
Vibrant Neighborhoods and Commercial Centers
Customer-Focused City Services
Future-Focused City Organization

ISSUE

This item is to consider formal adoption of the Library Comprehensive Master Plan.

OPTIONS

- Formal adoption of the Plan.
- Amend the Plan for future consideration.
- Non-acceptance of the Plan.

RECOMMENDATION

Staff recommends formal adoption of the Library Comprehensive Master Plan as presented.

BACKGROUND

In 2016, the Garland City Council adopted ten Strategic Focus Areas for a thriving Garland. Council soon followed with the 2019 Bond Program as a means for implementing the strategic initiatives and public improvements needed to make Garland a thriving place. This Plan identifies ways Garland's public library system can support the community's efforts to Grow Garland's Economic Base; Enhance Quality of Life through Amenities, Arts, and Events; support Vibrant Neighborhoods and Commercial Centers; provide Customer Focused City Services; and develop a Future Focused Organization.

The Library Comprehensive Master Plan updates the previous plan adopted in 2001. This new plan lays the groundwork for transforming Garland's library system into a 21st Century Library, by embracing new industry trends, library roles, services, and technologies. It also adopts the philosophy that public libraries build community and are for the people. This new community-based plan puts the needs of Garland residents first. This plan includes updates to the Library Strategic Plan, Technology Plan, Staffing Plan, and Facilities Plan.

CONSIDERATION

Staff requests the consideration of the Plan as presented, which includes the incorporation of all appropriate and applicable data and feedback received throughout the development of the plan.

Attachments

Library Master Plan Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARLAND, TEXAS, ADOPTING A STRATEGIC MASTER LIBRARIES PLAN; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, consistent with the Library's mission, the Library, both physical and virtual, provides programs and services to enrich the quality of citizens' lives;

WHEREAS, The City of Garland recognizes the need to develop a strategic master plan to guide future programs, services, and improvements within the Library department; and

WHEREAS, the 2020 Garland Library Master Plan, a copy of which is attached hereto as Exhibit "A" (the "Plan"), represents the culmination of the master planning process and will provide guidance for the Library for the next five to ten years and beyond; and

WHEREAS, the Plan complies with Texas State Library and Archives Commission master plan guidelines and accreditation requirements which require public libraries to have and update a strategic plan every 5 years;

WHEREAS, the Plan complies with master plan guidelines of relevant governmental agencies from which Garland will request grant assistance for implementation;

WHEREAS, the Plan provides goals and detailed action plans to prioritize the process of serving the Garland community; and

WHEREAS, the City Council has been briefed by the City Manager and staff, has determined the Plan is reasonable, and now desires to formally approve and adopt the Plan;

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

Section 1

That the City Council of the City of Garland, Texas hereby officially adopts the 2020 Garland Library Master Plan, a copy of which is hereto attached as Exhibit "A" and incorporated herein for all purposes.

Section 2

That adoption of the 2020 Garland Library Master Plan shall not commit the City to specific amounts of funding levels or implementation strategies, but shall provide guidance for future consideration of library services for its citizens.

Section 3

That this Resolution shall be and become effective immediately upon and after its adoption and approval.

PASSED AND APPROVED this the ___ day of February, 2021.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **9.**

Meeting Date: 02/02/2021

Item Title: Bond Refunding - Water and Sewer System Revenue Refunding bonds and Commercial Paper Notes

Submitted By: Matt Watson, Finance Director

Summary of Request/Problem

At the November 16, 2020 Work Session, Council considered refunding approximately $23.4 million of Water and Sewer System Commercial Paper Notes, Series 2015 and approximately $14.4 million Water and Sewer System Revenue Bonds, Series 2011 with Water and Sewer System Revenue Refunding Bonds, Series 2021. The purpose of this transaction is to refund a portion of variable rate commercial paper notes with fixed rate long-term debt and to generate debt service savings.

Recommendation/Action Requested and Justification

Approve the sale of Water and Sewer System Revenue Refunding Bonds, New Series 2021.

Attachments

Bond Refunding - Water and Sewer Ordinance

ORDINANCE NO. _____

AN ORDINANCE authorizing the issuance of "CITY OF GARLAND, TEXAS, WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, NEW SERIES 2021", 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; 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 2011, dated June 15, 2011, scheduled to mature on March 1 in each of the years 2021 through 2031, inclusive, and aggregating in the principal amount of $14,480,000 (the "Refunded Bonds"); and

WHEREAS, the City Council of the City, in accordance with the provisions of Texas Government Code, Chapter 1371, has heretofore authorized by ordinance and provided for the issuance of "City of Garland, Texas Water and Sewer System Commercial Paper Notes, Series 2015" (the "Commercial Paper Notes") in an aggregate principal amount not to exceed $90,000,000 for the purpose of financing additions, improvements and extensions to the City's Water and Sewer System (the "System");

WHEREAS, the Council hereby finds and determines $_________ in principal amount of the Commercial Paper Notes should be refunded and refinanced into long term obligations at this time (such Commercial Paper Notes being hereinafter collectively referred to as the "Refunded CP Notes") for the purpose of replacing such Refunded CP Notes with long-term fixed rate debt, and further finds and determines that the issuance of the bonds herein authorized is in the best interests of the City and that the manner in which the refunding of the Refunded CP Notes is being executed does not make it practicable to make the determination required by Texas Government Code, Section 1207.008(a)(2) in connection with the Refunded CP Notes;

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 places of payment for the Refunded Bonds and the Refunded CP Notes, as appropriate, or other authorized depository, and such deposits, when made in accordance with said statutes, and ordinances authorizing the issuance of the Refunded Bonds and the Refunded CP Notes, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds and the Refunded CP Notes;

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 2021" (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 the "Refunded CP Notes") 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 January 15, 2021 (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 (%)
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		

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 September 1, 2021, 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 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, 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 and after March 1, 2032, in whole or in part, before their respective scheduled maturity dates, on March 1, 2031, 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 optionally 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.

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 REGISTERED
NO. ___ $__________

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF GARLAND, TEXAS
WATER AND SEWER SYSTEM REVENUE REFUNDING BOND
NEW SERIES 2021

Bond Date:	Stated Maturity:	Interest Rate:	CUSIP No.:
January 15, 2021	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 September 1, 2021, 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 the Refunded CP Notes (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 and after March 1, 2032, may be redeemed prior to their Stated Maturities, 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, 2031, 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 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, 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
NO. T-1

REGISTERED
$__________

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF GARLAND, TEXAS
WATER AND SEWER SYSTEM REVENUE REFUNDING BOND
NEW SERIES 2021

Bond Date: January 15, 2021

Registered Owner: ____________________

Principal Amount: _____ MILLION ____ HUNDRED _________ 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 September 1, 2021, 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) Guarantee. 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) Commercial Paper. 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 2021”, dated January 15, 2021, 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 and (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.

(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;

(v) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2018A", dated December 1, 2018;

(vi) "City of Garland, Texas, Water and Sewer System Revenue Bonds, New Series 2019", dated June 1, 2019; and

(vii) "City of Garland, Texas, Water and Sewer System Revenue Refunding Bonds, New Series 2019A", dated December 1, 2019; and

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

(i) "City of Garland, Texas, Water and Sewer System Revenue Bonds, Series 2011", dated June 15, 2011 (a portion of which are to be refunded by the Bonds);

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

(iii) "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 Issuance of Additional Bonds.

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. <u>Maintenance and Operation - Insurance</u>. 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. <u>Records - Accounts - Accounting Reports</u>. (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 to the payment of the principal of and interest on the City's Combination Tax and Revenue Certificates of Obligation, Series 2020 (the "Certificates"), issued on June 16, 2020 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; 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, 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 the Refunded CP Notes), 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 and the Refunded CP Notes), 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 and the Refunded CP Notes in that the Bonds will be issued less than 90 days before the redemption of the Refunded Bonds and the Refunded CP Notes.

SECTION 33. Sale of Bonds – Official Statement Approval. Pursuant to a public sale for the Bonds, the bid submitted by ____________ (herein referred to as the "Purchasers") is declared to be the best bid received producing the lowest true interest cost rate to the City, and the sale of the Bonds to said Purchasers at the price of par plus a cash premium of $_______, is hereby determined to be in the best interests of the City and is approved and confirmed. Delivery of the Bonds to the Purchasers shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale. The Initial Bond shall be registered in the name as provided in the winning bid form.

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 February 2, 2021, 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, (i) in the amount of $______________ shall be deposited with U.S. Bank National Association (the current issuing and paying agent for the Refunded CP Notes) for the payment and discharge of the Refunded CP Notes and (ii) in the amount of $_________ shall be deposited with Zions Bancorporation, National Association, Amegy Bank Division (the current paying agent for the Refunded Bonds) for the refunding of the Refunded Bonds. 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 (1) to the paying agent for the Refunded Bonds 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 and (2) to the issuing and paying agent for the Refunded CP Notes from moneys on deposit in the note payment fund maintained for the payment of the Refunded CP Notes the sum of $_________ to accomplish the refunding of the Refunded CP Notes. The Finance Director is further authorized to provide, from lawfully available funds of the City, any additional money necessary to fully discharge the Refunded CP Notes.

SECTION 35. Reserved.

SECTION 36. Redemption and Defeasance of Refunded Bonds.

The portion of the Refunded Bonds scheduled to mature on March 1, 2021 shall be defeased, paid and discharged by the deposit of money with the paying agent for the Refunded Bonds in an amount sufficient to pay such obligations on their maturity date. The portion of the Refunded Bonds scheduled to mature on March 1 in each of the years 2022 through 2031 shall be redeemed and the same are hereby called for redemption on March 12, 2020, 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 a 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 B** 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, 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. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

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 and held in trust by the Paying Agent/Registrar (through deposit by the City of funds for such payment 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 accounting or consulting firm 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 the stated maturity. 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 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:

"*Financial Obligation*" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"*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 2021, 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 2021, 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;
(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding item (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 and (b) the City intends the words used in the immediately preceding items (15) and (16) in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

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 February 2, 2021.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B

CONDITIONAL NOTICE OF REDEMPTION

CITY OF GARLAND, TEXAS
WATER AND SEWER SYSTEM REVENUE BONDS
SERIES 2011
Dated June 15, 2011

CONDITIONAL NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on and after March 1, 2022, and aggregating in the principal amount of $13,395,000, have been called for redemption on March 12, 2021 (the "Redemption Date") 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
2022	1,135,000	
2023	1,185,000	
2024	1,245,000	
2025	1,305,000	
2026	1,380,000	
2027	1,290,000	
2028	1,355,000	
2029	1,425,000	
2030	1,500,000	
2031	1,575,000	

THIS CONDITIONAL NOTICE OF REDEMPTION, and the payment of the principal of and premium, if any, and interest on the Bonds (the "Redemption Price") on the Redemption Date, is subject to the receipt of an amount sufficient to pay in full the Redemption Price on the Redemption Date.

IN THE EVENT funds for the payment of the Redemption Price are not received by the Redemption Date, this notice shall be null and void and of no force and effect. Any Bonds theretofore delivered for redemption shall be returned to the respective owners thereof, and said Bonds shall remain outstanding as though this Conditional Notice of Redemption had not been given. Notice of failure to receive funds and rescission of this redemption shall be given by the Paying Agent/Registrar by first class mail to the registered holders of the Bonds.

Provided such funds are received by the Redemption Date, such Bonds shall become due and payable on the Redemption Date, 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 1190
Houston, Texas 77002

GARLAND
CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **10.**

Meeting Date: 02/02/2021

Item Title: Bond Refunding - Electric Utility System Commercial Paper Notes and Revenue Bonds

Submitted By: Matt Watson, Finance Director

Summary of Request/Problem

At the November 16, 2020 Work Session, Council considered authorizing the refunding of approximately $55 million of Electric Utility System Commercial Paper Notes, Series 2018 and approximately $5.4 million of Electric Utility System Revenue Bonds, Series 2011 with Electric System Revenue Refunding Bonds, Series 2021. The purpose of this transaction is to refund a portion of variable rate commercial paper notes with fixed rate long-term debt and to generate savings in debt service.

Recommendation/Action Requested and Justification

Approve the sale of Electric Utility System Revenue Refunding Bonds, Series 2021.

Attachments

Bond Refunding Electric - Ordinance

ORDINANCE NO. _____

AN ORDINANCE authorizing the issuance of "CITY OF GARLAND, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS, NEW SERIES 2021", pledging the net revenues of the City's electric utility system to 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 and a Purchase 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, Electric Utility System Revenue Bonds, Series 2011, dated June 15, 2011, scheduled to mature on March 1 in each of the years 2021 through 2028, inclusive, and 2031 and aggregating in the principal amount of $5,405,000 (the "Refunded Bonds"); and

WHEREAS, the Council, in accordance with the provisions of Texas Government Code, Chapter 1371, has heretofore authorized by ordinance and provided for the issuance of "City of Garland, Texas Electric Utility System Commercial Paper Notes, Series 2018" (the "Commercial Paper Notes") in an aggregate principal amount not to exceed $80,000,000 for the purpose of financing additions, improvements and extensions to the City's Electric Utility System (the "System");

WHEREAS, the Council hereby finds and determines $_______ in principal amount of the Commercial Paper Notes should be refunded and refinanced into long term obligations at this time (such Commercial Paper Notes being hereinafter collectively referred to as the "Refunded CP Notes") for the purpose of replacing such Refunded CP Notes with long-term fixed rate debt, and further finds and determines that the issuance of the bonds herein authorized is in the best interests of the City and that the manner in which the refunding of the Refunded CP Notes is being executed does not make it practicable to make the determination required by Texas Government Code, Section 1207.008(a)(2) in connection with the Refunded CP Notes;

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 places of payment for the Refunded Bonds and the Refunded CP Notes, as appropriate, or other authorized depository, and such deposits, when made in accordance with said statutes, and ordinances authorizing the issuance of the Refunded Bonds and the Refunded CP Notes, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds and the Refunded CP Notes;

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 a pledge of the net revenues of the System, which is subordinate to the pledge of and lien on such net revenues associated with the Prior Lien Bonds (as hereinafter defined);

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, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS, NEW SERIES 2021" (the "Bonds"), for the purpose of refunding certain outstanding obligations payable from revenues of the City's Electric Utility System (identified in the preamble hereof as the "Refunded Bonds" and the "Refunded CP Notes") and 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 January 15, 2021 (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 Rate (%)
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		

Year of Stated Maturity	Principal Amount ($)	Interest Rate (%)
2044		
2045		
2046		
2047		
2048		
2049		
2050		
2051		

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 March 1 and September 1 of each year commencing September 1, 2021, 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 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, 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 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 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 and after March 1, 20__, in whole or in part, before their respective scheduled maturity dates, on March 1, 20___ 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 optionally 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) Mandatory Redemption. The Bonds maturing on March 1 in each of the years 20__ and 20__ (collectively, the "Term Bonds") are subject to mandatory redemption on the dates and in the principal amounts shown below at a price of par plus accrued interest to the date of redemption:

Term Bonds Due March 1, 20__		Term Bonds Due March 1, 20__	
Redemption Date	Principal Amount ($)	Redemption Date	Principal Amount ($)
March 1, 20__		March 1, 20__	
March 1, 20__		March 1, 20__	
March 1, 20__		March 1, 20__	
March 1, 20__		March 1, 20__	
March 1, 20__*		March 1, 20__*	

*maturity

Approximately forty-five (45) days prior to each mandatory redemption date for the Term Bonds, the Paying Agent/Registrar shall select by lot the numbers of the Term Bonds within the applicable Stated Maturity to be redeemed on the next following March 1 from moneys set aside for that purpose in the Bond Fund (as hereinafter defined). Any Term Bond not selected for prior redemption shall be paid on the date of their Stated Maturity.

The principal amount of the Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions set forth in paragraph(a) of this Section and not theretofore credited against a mandatory redemption requirement.

(c) 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.

(d) 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 31 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 transfer or exchange to an assignee of the owner of the Bonds any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for redemption of such Bond; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered 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.

If, at any time, DTC ceases to hold the Bonds as securities depository, all references herein to DTC shall be of no further force or effect.

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 such individuals or either of them 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 upon any Bond duly signed 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	REGISTERED
NO. ___	$___________

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF GARLAND, TEXAS
ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BOND
NEW SERIES 2021

Bond Date:	Stated Maturity:	Interest Rate:	CUSIP No.:
January 15, 2021	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 initial delivery of the Bonds 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 September 1, 2021, 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 (15^{th}) 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 purpose of refunding certain outstanding obligations payable from revenues of the City's Electric Utility System (identified and defined in the Ordinance hereinafter referenced) and 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 in each of the years 20__ and 20__ (collectively, the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds Due March 1, 20__		Term Bonds Due March 1, 20__	
Redemption Date	Principal Amount ($)	Redemption Date	Principal Amount ($)
March 1, 20__		March 1, 20__	
March 1, 20__		March 1, 20__	
March 1, 20__		March 1, 20__	
March 1, 20__		March 1, 20__	
March 1, 20__*		March 1, 20__*	

*maturity

The particular Term Bonds of a stated maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a stated maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like stated maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.

The Bonds maturing on and after March 1, 20___, may be redeemed prior to their Stated Maturities, 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, 20____, 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 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 of the System 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 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, 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
ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BOND
NEW SERIES 2021

Bond Date: January 15, 2021

Registered Owner: BofA Securities, Inc.

Principal Amount: _________ Million ___ Hundred ______ 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 initial delivery of the Bonds 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 September 1, 2021, 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 21 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:

(1) 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 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 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 Debt, then the portion of the Debt committed to be discharged or purchased shall be excluded from such calculation and the principal of and interest on the 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 Debt to be discharged or purchased, shall be added;

(2) 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 Debt due (or payable in respect of any required purchase of such 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 Debt or exceeds by more than 50% the greatest amount of principal of such series or issue of Debt due in any preceding or succeeding Fiscal Year (such principal due in such Fiscal Year for such series or issue of 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;

(3) Consent Sinking Fund. In the case of Balloon Debt (as defined in clause (2) 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 (3) 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 (3) shall not apply where the City has elected to apply the rule set forth in clause (2) above;

(4) 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;

(5) Variable Rate.

(i) 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 or (y) 1.25 times the average variable rate borne by any Variable Rate Obligations then Outstanding during the then immediately preceding twelve-month period, and

(ii) 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;

(6) Guarantee. In the case of any guarantee, as described in clause (2) 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;

(7) Commercial Paper. 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 (5) of this definition and the maturity schedule shall be calculated in the manner provided in clause (2) of this definition; and

(8) 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 (1) through (7) above and any payments otherwise included above under (1) through (7)

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, Electric Utility System Revenue Refunding Bonds, New Series 2021," dated January 15, 2021, 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 electric light and power 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:

(1) 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;

(2) 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

(3) 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 "Gross Revenues" shall mean those revenues, income, and receipts derived or received by the City from the operation and ownership of the System, including interest income and earnings from the investment or deposit of money in any Fund created by the Ordinance or another ordinance or authorizing document associated with the Bonds or Additional Bonds or maintained by the City in connection with the System, and money transferred to the System Fund, other than those amounts subject to the payment of the United States of America as rebate pursuant to Section 148 of the Code. The term "Gross Revenues", however, does not include refundable meter deposits, restricted gifts, grants in aid of construction or "transition charges" or similar charges imposed pursuant to the Texas Utilities Code, Subchapter G of Chapter 39, as amended, or similar law imposed for the payment of "transition bonds".

(m) 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.

(n) 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.

(o) The term “Net Revenues” shall mean for any period of time the Gross Revenues of the System less the Operation and Maintenance Expenses incurred during such period.

(p) The term “New Series 2018 Bonds” shall mean the “City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2018,” dated May 15, 2018.

(q) The term “Operation and Maintenance Expense” means the expenses of operation and maintenance of the System, including all salaries, labor, material, repairs, and extensions necessary to render efficient service, provided, however, that only such repairs and extensions, as in the judgment of the City, reasonably and fairly exercised by the passage of appropriate ordinances are necessary to render adequate service, or such as might be necessary to meet some physical accident or condition which would otherwise impair any Bonds Similarly Secured. Operation and Maintenance Expenses shall include the purchase of power. Depreciation shall not be considered as an expense of operation and maintenance.

(r) 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:

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

(2) 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

(3) 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.

(s) 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.

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

(u) The term “Previously Issued Bonds” includes (i) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2014, dated June 1, 2014, (ii) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2015, dated February 1, 2015, (iii) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2016A, dated November 15, 2016, (iv) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2016B, dated November 15, 2016, (v) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2018, dated May 15, 2018, (vi) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2019, dated February 15, 2019, (vii) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2019A, dated December 1, 2019 and (viii) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2020, dated June 1, 2020.

(v) The term “Prior Lien Bonds” includes (i) “City of Garland, Texas, Electric Utility System Revenue Bonds, Series 2011,” dated June 15, 2011 and (ii) “City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, Series 2013” dated May 1, 2013.

(w) 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.

(x) The term “System” shall mean the City’s Electric Utility System, including all present and future extensions, additions, replacements and improvements thereto.

(y) 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) thirty (30) years.

(z) 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 or a Variable Rate Obligation; that is declared to be a Bond Similarly Secured in the ordinance authorizing the execution of such Credit Agreement or such Variable Rate Obligation.

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 electric utility services afforded by the System will be established and maintained to provide Gross Revenues, including the money transferred to the System Fund for the sole purpose of compliance with this Section 12, sufficient at all times to:

(a) Pay for all operation, maintenance, depreciation, replacement, and betterment charges of said System;

(b) Maintain the Bond Fund;

(c) Maintain the Reserve Fund at the Required Reserve Amount; and

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

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 are required to be established and 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 are Outstanding, to wit:

(a) City of Garland, Texas Electric Utility 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 Electric Utility 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.

(c) City of Garland, Texas New Series Electric Utility System Revenue Reserve Fund, hereinafter called the "Reserve Fund," which Reserve Fund, if required to be established and maintained as set forth herein or as set forth in an ordinance of the City relating to the issuance of Additional Bonds, shall be kept and maintained at a City depository, and moneys or instruments or any combination of both deposited in the Reserve Fund shall be used to pay principal of and interest on any Outstanding Bonds Similarly Secured falling due at any time when there is insufficient money available in the Bond Fund for such purpose.

It is specifically provided, however, that the City may change the custodian of the Bond Fund and the Reserve Fund without impairing the obligation of contract with the Holders of the Bonds, if the new custodian for such Fund or Funds is a financial institution with trust powers. In no event shall a change of the custodian of either of the Bond Fund or the Reserve Fund be considered as a change in the purpose for which such Funds were 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. Reserve Fund. (a) Establishment. A Reserve Fund shall not be required to be established or maintained by the City for the payment of the Bonds or any other Bonds Similarly Secured so long as the Net Revenues of the System for a Fiscal Year equal or exceed one hundred fifty per cent (150%) of the annual debt service requirements of Bonds Similarly Secured due and payable in such Fiscal Year. If for any Fiscal Year such Net Revenues do not exceed 150% of the annual debt service requirements of the Bonds Similarly Secured, the City shall be obligated to establish and maintain on the books of the City a separate fund or account designated as the Reserve Fund. Upon being established and except as provided below, the amount on deposit to the credit of the Reserve Fund shall be maintained for the benefit of the owners of the Bonds Similarly Secured. The amounts deposited to the credit of the Reserve Fund shall be in a special fund maintained at a depository of the City. Monies or investments held in the Reserve Fund shall be used for the purpose of retiring the last of the Bonds Similarly Secured as they become due or paying principal of and interest on the Bonds Similarly Secured when and to the extent the amounts in the Bond Fund are insufficient for such purpose.

When a Reserve Fund is required to be established as noted above and while the same is required to be maintained, the Required Reserve Amount to be accumulated and maintained in such Fund shall be determined and re-determined as follows:

(1) ten per cent (10%) of the average annual debt service requirement for all Bonds Similarly Secured if the Net Revenues for the previous Fiscal Year were less than 150% of the annual debt service requirement for such Fiscal Year;

(2) twenty per cent (20%) of the average annual debt service requirement for all Bonds Similarly Secured if the Net Revenues for the previous Fiscal Year were less than 140% of the annual debt service requirement for such Fiscal Year, but greater than or equal to 130% of the annual debt service requirement for such Fiscal Year;

(3) thirty per cent (30%) of the average annual debt service requirement for all Bonds Similarly Secured then Outstanding if the Net Revenues for the previous Fiscal Year were less than 130% of the annual debt service requirement for such Fiscal Year, but greater than or equal to 120% of the annual debt service requirement for such Fiscal Year;

(4) forty per cent (40%) of the average annual debt service requirement for all Bonds Similarly Secured if the Net Revenues for the previous Fiscal Year were less than 120% of the annual debt service requirement for such Fiscal Year, but greater than or equal to 110% of the annual debt service requirement for such Fiscal Year; and

(5) fifty per cent (50%) of the average annual debt service requirement for all Bonds Similarly Secured if the Net Revenues for the previous Fiscal Year were less than 110% of the annual debt service requirement for such Fiscal Year.

The City shall review the amount, if any, on deposit in the Reserve Fund within thirty (30) days of the receipt of the audited financial statements applicable to the System for the preceding Fiscal Year to determine compliance with the provisions of subparagraph (i), (ii), (iii), (iv) and (v) of subsection (a) of this Section 16. If at any time the City is required to fund the Required Reserve Amount, or to increase the Required Reserve Amount, the Required Reserve Amount or increase in the Required Reserve Amount, as applicable, shall be funded as provided in subsection (b) of this Section 16 in not more than sixty (60) substantially equal consecutive monthly deposits commencing not later than the month following the receipt of audited financial statements for the System for the preceding Fiscal Year.

(b) Funding. The Required Reserve Amount shall be established and maintained with Net Revenues of the System, transfer(s) of funds from refunded obligations, proceeds of sale of Bonds Similarly Secured, or by depositing to the credit of the Reserve Fund, to the extent permitted by law, one or more surety bonds or insurance policies issued by a company or institution which at the time of such deposit has a rating in one of the two highest rating categories by two nationally recognized rating agencies or services, or any combination thereof. The City hereby covenants and agrees to accumulate in the Reserve Fund the Required Reserve Amount either by depositing, from Net Revenues, in not more than sixty (60) substantially equal monthly payments, which initial fractional payment thereof shall be made on or before the fifteenth (15th) day of the month next following the determination that additional amounts need to be accumulated in the Reserve Fund to satisfy the Required Reserve Amount or by funding the Reserve Fund in the Required Reserve Amount from funds received from the transfer of funds from refunded obligations, from proceeds of sale of Bonds Similarly Secured, or by depositing one or more surety bonds or insurance policies issued by a company or companies meeting the aforesaid criteria, or any combination of the foregoing.

Concurrently with the delivery of a series of Additional Bonds, the appropriate City officials shall determine the Required Reserve Amount as well as the amount then held in the Reserve Fund, and the amount of such difference shall be deposited in the said Reserve Fund (i) by depositing to the credit of the Reserve Fund (concurrently with the delivery of the then proposed Additional Bonds) cash or an additional surety bond or insurance policy or revised surety bond or revised insurance policy with coverage in an amount sufficient to provide for the new Required Reserve to be fully or partially funded, or (ii) at the option of the City, in not more than sixty (60) substantially equal consecutive monthly payments, cash, the initial payment to be made on or before the fifteenth (15th) day of the month next following the month in which such Additional Bonds are delivered (or 1/60th of the balance of the additional amount not deposited immediately in cash or provided by a surety bond or insurance policy).

When and so long as the cash and investments in the Reserve Fund and/or coverage afforded by a surety bond or insurance policy held for the account of the Reserve Fund total not less than the Required Reserve Amount, no deposits need be made to the credit of the Reserve Fund; but, if and when the Reserve Fund at any time contains less than the Required Reserve Amount (or so much thereof as shall then be required to be contained therein if Additional Bonds have been issued and the City has elected to accumulate all or a portion of the Required Reserve Amount with Net Revenues), the City covenants and agrees to cause monthly deposits to be made to the Reserve Fund on or before the fifteenth (15th) day of each month (beginning the month next following the month the deficiency in the Required Reserve Amount occurred by reason of a draw on the Reserve Fund or as a result of a reduction in the market value of investments held for the account of the Reserve Fund) from Net Revenues of the System in an amount equal to either (i) one-sixtieth (1/60th) of the Required Reserve Amount until the total Required Reserve Amount then required to be maintained in said Fund has been fully restored or (ii) the amounts to pay principal of and interest on Bonds Similarly Secured held by an insurer, or evidenced by an instrument of assignment entitling an insurer to payment of principal of and interest on Bonds Similarly Secured, as a result of payments or draws made on a surety bond or insurance policy held for the account of the Reserve Fund, and such payments will result in (x) the principal of and/or interest on such Bonds Similarly Secured to be paid and (y) the restoration and replenishment of the surety bond or insurance policy coverage representing all or a portion of the Required Reserve Amount.

During such time as the Reserve Fund contains the total Required Reserve Amount, the City may, at its option, withdraw all surplus in the Reserve Fund over the Required Reserve Amount and deposit such surplus in the System Fund. Any such amount to be withdrawn that is allocated to proceeds of Bonds Similarly Secured shall be deposited to the Bond Fund or otherwise used for only such purposes as other bond proceeds may be used.

If the Reserve Fund is required to be established as provided in (a) above, and for two consecutive Fiscal Years, the Net Revenues of the System for a Fiscal Year equal or exceed one hundred fifty per cent (150%) of the annual debt service requirements of Bonds Similarly Secured due and payable in such Fiscal Year, then the Reserve Fund does not need to be maintained and the amounts in the Reserve Fund may be deposited to the Bond Fund or otherwise used for only such purposes as other bond proceeds may be used.

SECTION 17. Deficiencies in Funds. If in any month the City shall, for any reason, fail to pay into the Bond Fund or Reserve Fund the full amounts above stipulated, amounts equivalent to such deficiencies shall be set apart and paid into said Funds 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 Funds during such month or months.

SECTION 18. 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 19. 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 20. 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 21. 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, and 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 and the Reserve Fund each 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 at least 1.25

times the average annual principal and interest requirements for the calculation period of 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 then 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 electric utility 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 having a favorable reputation with respect to such matters 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 average annual and 1.00 times the maximum annual principal and interest requirements (calculated on a Fiscal Year basis) of the Outstanding Prior Lien Bonds and Outstanding 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. The term 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 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) The ordinance authorizing the issuance of such Additional Bonds provides that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased by an additional amount not less than the applicable percentage of the average annual debt service requirements for the Bonds Similarly Secured, taking into account the proposed Additional Bonds and that such additional amount shall (i) be so accumulated within sixty (60) months from the date of the Additional Bonds by the deposit in the Reserve Fund of the necessary sums in substantially equal consecutive monthly installments; or (ii) be deposited therein transfers of lawfully available funds, proceeds of sale of Bonds Similarly Secured or depositing to the credit of the Reserve Fund one or more surety bonds or insurance policies as provided in this Ordinance; provided, however, that the aggregate amount to be accumulated in the Reserve Fund shall never be required to exceed the applicable percentage of the average annual debt service requirements for all Bonds Similarly Secured taking into account the series of Additional Bonds then proposed to be issued; and

(f) All calculations of maximum and average 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 22. 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, including self-insurance by the City, 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 23. 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. Copies of the aforesaid annual audit shall be immediately furnished to the Executive Director of the Municipal Advisory Council of Texas at his or her office in Austin, Texas, and, upon written request to the Purchasers and any subsequent Owners of the Bonds.

SECTION 24. 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 and Reserve 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 25. 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 Prior Lien Bonds, the Previously Issued Bonds and the Bonds, the Net Revenues of the System have not in any manner been pledged to the payment of any debt or obligation of the City or of the System that is on a parity with the pledge of the Net Revenues to Bonds Similarly Secured. The Net Revenues have been pledged to the City's Electric Utility System Commercial Paper Notes, Series 2018 (a portion of which are being discharged with proceeds of the Bonds), subject to the lien on and pledge of the Net Revenues to the Outstanding Prior Lien Bonds and the Outstanding Bonds Similarly Secured.

(c) That, as long as any of the Prior Lien Bonds and the Bonds Similarly Secured issued prior to the issuance of the New Series 2018 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.

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 electric utility system other than that owned by the City.

SECTION 26. 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 27. 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 28. Investments. Moneys in the Bond Fund and the Reserve 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 29. 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 and, if necessary, in the Reserve 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; 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 30. 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 31. 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 32. 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 disposed of as directed by the City.

SECTION 33. 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 the Refunded CP Notes), 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 and the Refunded CP Notes), 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 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, 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 and the Refunded CP Notes in that the Bonds will be issued less than 90 days before the redemption of the Refunded Bonds and the Refunded CP Notes.

SECTION 34. Sale of Bonds; Purchase Agreement and Official Statement Approval. The Bonds authorized by this Ordinance are hereby sold by the City to BofA Securities, Inc. and Siebert Williams Shank & Co., LLC (collectively, the "Purchasers") in accordance with the Purchase Agreement, dated February 2, 2021, substantially in the form attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Ordinance for all purposes, 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 February 2, 2021, 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 35. 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, 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. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

SECTION 36. Proceeds of Sale. Immediately following the delivery of the Bonds, proceeds of sale of the Bonds, less costs of issuance, (i) in the amount of $______ shall be deposited with U.S. Bank National Association (the current issuing and paying agent for the Refunded CP Notes) for the payment and discharge of the Refunded CP Notes and (ii) in the amount of $_________ shall be deposited with Zions Bancorporation, National Association, Amegy Bank Division (the current paying agent for the Refunded Bonds) for the refunding of the Refunded Bonds. The balance of the proceeds of sale of the Bonds shall be expended to pay costs of issuance and any excess amount budgeted for such purpose shall be deposited in the Bond Fund.

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 (1) to the paying agent for the Refunded Bonds 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 and (2) to the issuing and paying agent for the Refunded CP Notes from moneys on deposit in the note payment fund maintained for the payment of the Refunded CP Notes the sum of $________ to accomplish the refunding of the Refunded CP Notes. The Finance Director is further authorized to provide, from lawfully available funds of the City, any additional money necessary to fully discharge the Refunded CP Notes.

SECTION 37. Redemption and Defeasance of Refunded Bonds.

The portion of the Refunded Bonds scheduled to mature on March 1, 2021 shall be defeased, paid and discharged by the deposit of money with the paying agent for the Refunded Bonds in an amount sufficient to pay such obligations on their maturity date. The portion of the Refunded Bonds scheduled to mature on March 1 in each of the years 2022 through 2031 shall be redeemed and the same are hereby called for redemption on March 12, 2020, 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 a 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 C** 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 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 thereof and held in trust by the Paying Agent/Registrar (through deposit by the City of funds for such payment) 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 accounting or consulting firm 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. 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 affected thereby, 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 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:

"*Financial Obligation*" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"*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 2021, financial information and operating data with respect to the City of the general type included in Tables 1 through 10 in the Official Statement and (2) within twelve months after the end of each fiscal year ending in or after 2021, 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 by the required time, the City will file unaudited financial statements within such twelve-month period 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;
(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding item (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 and (b) the City intends the words used in the immediately preceding items (15) and (16) in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

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 intentionally left blank*]

PASSED AND ADOPTED this February 2, 2021.

CITY OF GARLAND, TEXAS

____

Mayor

ATTEST:

____

City Secretary

(City Seal)

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B

PURCHASE AGREEMENT

EXHIBIT C

CONDITIONAL NOTICE OF REDEMPTION

CITY OF GARLAND, TEXAS
ELECTRIC UTILITY SYSTEM REVENUE BONDS
SERIES 2011
DATED JUNE 15, 2011

CONDITIONAL NOTICE IS HEREBY GIVEN that the bonds of the above series maturing on and after March 1, 2022, and aggregating in the principal amount of $5,025,000, have been called for redemption on March 12, 2021 (the "Redemption Date") 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
2022	400,000	
2023	420,000	
2024	440,000	
2025	465,000	
2026	485,000	
2027	510,000	
2028	535,000	
****	*********	
2031*	1,770,00	

*term bond

THIS CONDITIONAL NOTICE OF REDEMPTION, and the payment of the principal of and premium, if any, and interest on the Bonds (the "Redemption Price") on the Redemption Date, is subject to the receipt of an amount sufficient to pay in full the Redemption Price on the Redemption Date.

IN THE EVENT funds for the payment of the Redemption Price are not received by the Redemption Date, this notice shall be null and void and of no force and effect. Any Bonds theretofore delivered for redemption shall be returned to the respective owners thereof, and said Bonds shall remain outstanding as though this Conditional Notice of Redemption had not been given. Notice of failure to receive funds and rescission of this redemption shall be given by the Paying Agent/Registrar by first class mail to the registered holders of the Bonds.

Provided such funds are received by the Redemption Date, such Bonds shall become due and payable on the Redemption Date, 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 1190
Houston, Texas 77002

GARLAND
CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **11.**

Meeting Date: 02/02/2021

Item Title: GDC Amendments to Chapter 1, Article 2 and Chapter 4, Article 5

Submitted By: Will Guerin, Planning Director

Summary of Request/Problem

An ordinance is brought forward following the January 11, 2021 City Council Work Session discussion regarding recommended GDC changes related to on-premise and off-premise signage, and digital displays. Also included in the draft ordinance are the necessary changes to expand notification recipients for zoning cases to the physical addresses, as well as increasing the notification distance to 1,000 feet for High Risk Use cases, per Council direction provided on January 11, 2021.

Recommendation/Action Requested and Justification

Consider adoption of the attached ordinance.

Attachments

Draft Ordinance

ORDINANCE NO.________________

AN ORDINANCE AMENDING CHAPTER 4, ARTICLE 5 "SIGNS" AND CHAPTER 1, ARTICLE 2 "UNIVERSAL PROCEDURES", OF THE GARLAND DEVELOPMENT CODE OF THE CITY OF GARLAND, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY UNDER THE PROVISIONS OF SECTION 10.05 OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS; PROVIDING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE.

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

Section 1

That Section 4.63, "Definitions", of Article 5, "Signs", of the Garland Development Code of the City of Garland, Texas, is hereby amended by amending subsection (D) to read as follows:

"**Section 4.63 Definitions**

(D) "Digital billboard" means a sign, display, or device with a sign face of a minimum of 350 square feet, which is capable of producing an animated or moving digital image, copy, or video by electronic means, and is operated by an entity possessing an outdoor advertising license issued by the Texas Department of Transportation and all other governmental agencies having jurisdiction."

That Section 4.63, "Definitions", of Article 5, "Signs", of the Garland Development Code of the City of Garland, Texas, is hereby amended by deleting subsections (L), "Off-premise sign" and (M) "On-premise sign" in their entirety.

Section 2

That Section 4.69, "Prohibited Signs", of Article 5, "Signs", of the Garland Development Code of the City of Garland, Texas, is hereby amended in part to read as follows:

"**Section 4.69 Prohibited Signs**

. . .

(B) Signs in Residential Areas. Signs, except as expressly provided for herein, are prohibited in residential zones and on property used for non-transient residential uses. A model home may have one sign on a premises subject to the provisions and limitations of below Section 4.71.

. . .

(K) *[Deleted in its entirety]*

Section 3

That Section 4.73, "Digital Display Signs", of Article 5, "Signs", of the Garland Development Code of the City of Garland, Texas, is hereby amended in part to read as follows:

"**Section 4.73 Conversion of Billboards to Digital Billboards**

(A) Certain conventional billboards may be modified to use digital display technology subject to the restrictions and provisions of this Section 4.73.

(B) Application.

(1) The conversion of a conventional faced billboard to a Digital billboard is prohibited except under the following conditions:

(a) For signs located adjacent to, and oriented toward, the main travel lanes or service roads of, IH-635, IH-30, and State Highway 190, the sign must have a conventional sign face with a minimum square footage of 350 feet.

(b) For signs not located in an area described in above subsection (a), the sign must be a legally conforming monument sign that meets the restrictions, requirements, and provisions of Section 4.78(K).

(2) The owner of a conventional billboard sign with a sign face of a minimum of 350 feet, may convert the sign to a Digital billboard, subject to the restrictions and provisions of this Section 4.73, after submitting a Digital billboard permit application for a face modification. The Building Official shall review the application and make a determination as to whether the subject sign qualifies for a Digital billboard conversion permit. In the event the Building Official approves the permit, the owner must apply for a demolition permit to remove the existing conventional sign face area in accordance with subsection (D). The owner must complete demolition of the sign face according to the applicable ratio in below subsection (D) before the sign face is modified.

(C) Compliance Required.

(1) Except as provided in this Section 4.73, Digital billboards must fully comply with the size, height, spacing, setback, and all other applicable provisions in this article.

(2) Digital billboard support structures must be built to comply with this GDC.

(3) Digital billboards must comply with Title 43 Texas Administrative Code Section 21.163, "Electronic Signs," as amended.

(4) Both existing and new Digital billboards must comply with all lighting and safety standards mandated by federal, state, or local rules or statutes, including standards adopted or amended after the date of passage of these requirements. Lighting and safety standards include brightness, message duration, and proximity of

the sign to other digital displays, ramps, and interchanges.

(D) Sign Face Exchange Ratio for Digital Billboards.

(1) Except as provided in below paragraph (2), for conventional billboards with a sign face of a minimum of 350 square feet, for every one square foot of sign face modified to use digital display technology, three square feet of detached conventional sign face area on signs with a sign face of a minimum of 350 square feet must be removed from within the City (not including the face of the sign being modified), subject to the following provisions:

(a) To receive credit for the removal of an area of detached conventional sign face, the entire sign face and structure supporting the removed sign face must be removed;

(b) At least one structure removed must be within a five mile radius of the conventional face being converted to digital, unless the structure being removed is an interior conventional sign located adjacent to or facing an interior street or right-of-way (that is, not adjacent to or oriented toward IH-635, IH-30, or State Highway 190);

(c) If the structure being removed is an interior conventional sign, then the exchange ratio shall be for every one foot of sign face being modified to use digital display technology, two square feet of detached conventional sign face area must be removed from an interior sign.

(d) No credit is given for the area of the conventional face being removed for conversion to a digital display; and

(e) The removal of the entire nonconventional sign face area, including the entire support structure, must be completed before commencing construction work modifying the conventional sign to use digital display.

(2) The new Digital billboard sign face may be no larger than the preexisting conventional billboard sign face, but in no case larger than 700 square feet.

(E) <u>Location and Number</u>.

(1) The conversion of a conventional billboard to a Digital billboard is limited to detached signs with a minimum sign face of 350 square feet, located adjacent to, and oriented toward the main travel lanes of, IH-635, IH-30 and State Highway 190.

(2) For support structures with only one Digital billboard, it must be located a minimum of 1,500 feet from any other Digital billboard oriented to the same traffic direction along the main travel lanes of IH-635, IH-30, and State Highway 190, measured linearly.

(3) A Digital billboard may not be located within 300 feet of any lot located in a residential district, measured radially.

(F) <u>Support Structures</u>.

(1) Digital billboard support structures may not exceed an overall height of 50 feet or 42.5 feet above the nearest point on the travel surface of the highway, whichever is higher, except that no Digital billboard may be higher than the conventional sign it replaced.

(2) Sign support structures and faces being converted to accommodate digital displays may not be modified to change the angle of a sign face.

(3) Electrical service to sign support structures with digital displays must be underground between the property line and the sign.

(G) Display.

(1) All Digital billboard displays must conform with the illumination restrictions of above Section 4.69(E). A Digital billboard must be equipped with both a dimmer control and a photocell that automatically adjusts the display's intensity according to natural ambient light conditions.

(2) A Digital billboard may not increase the light level on a lot in a residential district over ambient conditions without the digital display, measured in footcandles at the point closest to the sign that is five feet inside the residential lot and five feet above the ground.

(3) Before the issuance of a Digital billboard permit, the applicant must provide an ambient light survey from adjacent residential properties and a written certification from the sign manufacturer that:

(a) the light intensity has been factory programmed to comply with the maximum brightness and dimming standards of this subsection; and

(b) the light intensity is protected from end-user manipulation by password-protected software or other method satisfactory to the Building Official.

(H) Change of Message. Changes of message must comply with the following provisions:

(1) Each message must be displayed for a minimum of eight seconds;

(2) Changes of message must be accomplished within two seconds;

(3) Changes of message must occur simultaneously on the entire sign face; and

(4) No flashing, dimming, or brightening of message is permitted except to accommodate changes of message.

(I) Malfunction. Digital billboard operators must respond to a malfunction within one hour after notification and must remedy the malfunction within 12 hours after notification. In case of sign malfunction, the digital display must freeze until the malfunction is remedied."

Section 4

That Section 4.78, "Signs - Permit Required", of Article 5, "Signs", of the Garland Development Code of the City of Garland, Texas, is hereby amended in part to read as follows:

"**Section 4.78 Signs – Permit Required**

. . .

(O) Programmable Signs (Electronic). A programmable sign is a sign that displays changing content through animated, scrolling, or moving messages. For the purposes of this subsection, "changing content" means content (of whatever nature) changing more than once every 4 hours. The term includes, but is not limited to, signs that project animated moving images, messages, or moving images by means of electronic or 'digital' illumination such as cathode ray tubes, light emitting diodes (LED), plasma screens, liquid crystal displays, fiber optics, lasers, projectors and similar technology. Electronic programmable signs must comply with the following provisions:

(1) Maximum height: The maximum height for an electronic programmable sign is the same

standard as the type of sign on which it is attached (such as a monument sign, pole, or pylon sign).

(2) Maximum size/area: The maximum surface area of an electronic sign is the same standard as the type of sign on which it is attached (such as a monument sign, pole, or pylon sign)

(3) Location: Electronic programmable signs are allowed as freestanding monument signs in all nonresidential and mixed-use districts on property that is not adjacent to IH-635, IH-30, or State Highway 190. An electronic programmable sign is also permitted as a freestanding monument sign in a residential district on a site that contains and operates as a lawful nonresidential use, and that has at least one frontage on a Type D (four-lane, divided) or larger thoroughfare, as shown on the City's adopted *Major Thoroughfare Plan*, in which case the electronic programmable sign may only be placed on a Type D or larger street frontage. Additionally, where located within a residential district or within 25 feet of a residential district, electronic programmable signs are prohibited from displaying illuminated messages between 10:00 p.m. to 6:00 a.m. to further minimize potential negative impacts on surrounding residential properties.

(4) Attached signs or Attached Wall Signs. Attached programmable signs are prohibited in all districts.

(5) Placement/setbacks: The placement and setback standard for an electronic programmable sign is the same as the type of sign on which it is attached (such as a monument sign or pylon sign).

(6) Maximum number: One electronic programmable sign is allowed per site. Except on a site in a nonresidential zoning district with frontage on 2 or more streets, or more than 300 feet of frontage on a single street, a maximum of 2

electronic programmable signs are allowed, both of which must be monument signs.

(7) Electronic programmable signs are prohibited from:

(a) Displaying animated, full-motion or other moving images, or display a flashing or blinking image, an image that incorporates intermittent or bursts of illumination, or an image that scrolls, fades, rolls, shades, dissolves, or otherwise gives the appearance of movement that is not solely a transition between displays as provided by Subsection 4.78(P)(7)(c) below;

(b) Projecting an image onto a structure, building, the ground, or another object;

(c) Displaying an image for a period of less than eight seconds, or exceeding a period of two seconds during a transition between a complete change of message (other than black screen);

(d) Transitioning from one display to the next in a manner that requires the viewer to read subsequent displays in order to determine the message being conveyed; or

(e) Including any audio message.

(8) A programmable sign must be equipped with a properly functioning automatic dimmer to adjust the luminance of the sign relative to ambient light so that at no time the sign will exceed the luminance limitations of Subsections 4.70(I) and 4.70(J). A programmable sign must be equipped with a properly functioning default mechanism that will cause the sign to revert immediately to a single, fixed, non-transitory image or to a black screen if the sign malfunctions. The owner of a programmable sign must provide the Building Official with current, valid contact information for a person who is authorized and able to turn off the programmable

sign within four hours of notification in the event of a malfunction.

(9) The sign face(s) of a freestanding monument sign may be converted to a programmable sign only in a manner that fully conforms to the provisions of this GDC. A lawfully existing, nonconforming sign must be made conforming in all respects including, without limitation, setbacks, sign area, height, and number in order to convert the sign face(s) of the sign to a programmable sign.

. . ."

Section 5

That Section 1.24, "Published & Written Notice", of Article 2, "Signs", of the Garland Development Code of the City of Garland, Texas, is hereby amended in part to read as follows:

"**Section 1.24 Published & Written Notice**

. . .

(B) Written Notice.

(1) Whenever written notice of a public hearing is required by controlling law or this GDC before a board, commission or the City Council, the responsible official shall cause notice to be personally delivered or sent by regular United States mail before the tenth calendar day (fifteenth calendar day for City Council hearings) before the hearing date to the following:

(a) For Plan Commission and City Council hearings, to (i) each owner of real property and (ii) each physical mailing address located within four hundred feet of the exterior boundary of the subject property. Notice shall be sent to property owners who have rendered the property for City taxes as the ownership appears on the most recently approved City tax roll, if such written notice is required by State law;

(b) If the application is related to a property that has, or is requesting, an SUP for a High Risk Use, then notice shall be mailed or delivered to (i) each owner of real property and (ii) each physical mailing address located within one thousand feet of the exterior boundary of the subject property;

(c) The applicant and to the physical address of any property located within the notification area;

(d) If the matter to be considered is before the Board of Adjustment, to each owner of real property located within two hundred feet of the exterior boundary of the property in question who has rendered the property for City taxes as the ownership appears on the most recently approved City tax roll; and

(e) If the matter to be considered is an appeal, to the appellant.

(2) The notice shall set forth the name of the applicant, the time, place and purpose of the hearing, identification of the subject property, and if the matter to be considered is an appeal, the name of the appellant. Notice may be served by depositing the notice, properly addressed and first class postage prepaid, in the United States mail.

. . .”

Section 6

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

Section 7

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

Section 8

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 9

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

PASSED AND APPROVED this the _____ day of _________, 2021.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **12.**

Meeting Date: 02/02/2021

Item Title: May 1 General Election Ordinance

Submitted By: Rene Dowl, City Secretary

Summary of Request/Problem

Consider an ordinance ordering a general election for the City of Garland to be held on May 1, 2021 for the purpose of electing a Mayor one Council Member each to respectively represent Districts 3,6, 7, 8 and a Special Election to fill a vacancy in District 1, providing for a run-off election if needed; and providing for other matters relating to the conduct of the election.

Recommendation/Action Requested and Justification

Approve an ordinance ordering and providing notice of a General Election for the City of Garland to be held on the 1st day of May 2021.

Attachments

General-Special Election Order

ORDINANCE NO. ____

AN ORDINANCE ORDERING A GENERAL ELECTION FOR THE CITY OF GARLAND, TEXAS TO BE HELD ON THE 1ST DAY OF MAY, 2021 FOR THE PURPOSE OF ELECTING A MAYOR AND FOR ELECTING COUNCILMEMBERS TO DISTRICTS 3, 6, 7, AND 8 AND ORDERING A SPECIAL ELECTION FOR ELECTING A COUNCILMEMBER TO THE UNEXPIRED TERM OF DISTRICT 1; PROVIDING FOR THE CONDUCT OF THE ELECTION; PROVIDING A DATE FOR A RUN-OFF ELECTION; PROVIDING FOR A PROCESS TO DETERMINE POSITION OF NAMES ON BALLOTS; PROVIDING FOR LOCATIONS OF POLLING PLACES; PROVIDING FOR EARLY VOTING; PROVIDING FOR NOTICE, PUBLICATION, AND POSTING OF THIS ORDER; AND PROVIDING AN EFFECTIVE DATE.

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

Section 1
ELECTION ORDER FOR JOINT ELECTION AND NOTICE OF ELECTION

There is hereby ordered a general election to be participated in by the qualified voters of the City of Garland, Texas, to be held on the 1st day of May, 2021, between the hours of 7:00 a.m. and 7:00 p.m., for the purpose of electing a Mayor and one Councilmember each to respectively represent Districts 3, 6, 7, and 8 and for the purpose of electing a Councilmember to the unexpired term for District 1.

Candidates for Mayor must reside within the City. Candidates for Districts 1, 3, 6, 7, and 8 must reside in the respective District which that candidate intends to represent. Every qualified voter within Districts 1, 3, 6, 7, and 8 respectively may cast one vote for a candidate for the respective district within which such voter resides and every qualified voter within the City may cast one vote for Mayor.

The candidate for each respective office who shall receive a majority of all votes cast for the office for which that person is a candidate shall be declared elected.

Unless the context clearly expresses a contrary meaning, the use of the term “general election” also includes the special election called in this Ordinance.

Section 2
JOINT ELECTION AND ELECTION SERVICES AGREEMENT

The election shall be held as a joint election pursuant to a joint election agreement by and between the City of Garland, Dallas County, and such other political subdivisions as may be participating in the joint election. Pursuant to the joint election agreement, the Dallas County Election Administrator shall serve as election administrator for the election, who shall appoint such election officials as may be required by law, according to the terms of the law and the joint election agreement. For purposes of processing ballots cast in early voting, the election officers for the early voting ballot board for this election shall be appointed and designated in accordance with the provisions of the joint election agreement.

The Central Counting Station for the tabulation and counting of ballots for this election shall be located at the Dallas County Elections Administration, 1520 Round Table Drive, Dallas, Texas 75247 and the Manager, Tabulation Supervisor, Presiding Judge and Alternate Presiding Judge at such Central Counting Station shall be determined, appointed and designated in accordance with the joint election agreement. The Manager and Presiding Judge of such Central Counting Station may appoint clerks to serve at such Central Counting Station, as provided by Texas Election Code, Section 127.006, as amended.

The voting system or systems meeting the standards and requirements of the Texas Election Code, as amended, is hereby adopted and approved for early voting by personal appearance and by mail and for election day voting.

Section 3
RUN-OFF ELECTION

In the event any candidate fails to receive a majority of all votes cast for the office for which that person is a candidate, a run-off election shall be held on June 5, 2021 between the hours of 7:00 a.m. and 7:00 p.m. for the purpose of resolving the run-off for each office for which a candidate did not receive a majority of all votes cast at the general election.

Section 4
POSITIONS OF NAMES OF CANDIDATES ON BALLOTS

The positions of the names of the candidates for the general and special election shall be determined by lot in an open meeting to be held at the offices of the City Secretary located at Garland City Hall. If allowed by law, such meeting may be conducted virtually. The City Secretary shall notify each candidate of the time of the meeting to draw lots and shall preside at the drawing.

Section 5
ELECTION PRECINCTS AND POLLING PLACES

The election precincts and the polling places for the election shall be those established by the Dallas County Elections Administrator by virtue of the joint election agreement.

Section 6
EARLY VOTING

The main early voting place is the George L. Allen, Sr. Courts Building, 600 Commerce Street, Dallas, Texas 75202 or such other location as may be authorized and established by the Dallas County Elections Administrator. Within the City of Garland, early voting by personal appearance shall be conducted locally at Richland College - Garland Campus, 675 W. Walnut Street, Garland, Texas 75040. Applications for ballot by mail shall be mailed to:

Early Voting Clerk
Dallas County Elections Department
1520 Round Table Drive
Dallas, Texas 75247

An application for ballot by mail may also be obtained by sending a completed, scanned application containing an original signature by email to evapplications@dallascounty.org or by fax to 214-819-6303. Applications for ballots by mail for the election must be received no later than the close of business on April 23, 2021. For more information regarding the City early voting locations, please contact the Dallas County Elections Department at (214) 819-6300 or http://www.dallascountyvotes.org/.

Early Voting for the General and Special Election:

Early voting by personal appearance for the general election as ordered by Section 1, above, shall be conducted on the following days:

> Monday, April 19, 2021 through Friday, April 23, 2021 between the hours of 8:00 a.m. and 5:00 p.m.
>
> Saturday, April 24, 2021 between the hours of 8:00 a.m. and 5:00 p.m.
>
> Sunday, April 25, 2021 between the hours of 1:00 p.m. and 6:00 p.m.
>
> Monday, April 26, 2021 and Tuesday, April 27, 2021 between the hours of 7:00 a.m. and 7:00 p.m.

Early Voting for a Run-off Election:

Early voting by personal appearance for the run-off election, if a run-off election is necessary, shall be conducted on the following days:

> Tuesday, May 24, 2021 through Friday, May 28, 2021 between the hours of 8:00 a.m. and 5:00 p.m.
>
> Saturday, May 29, 2021 between the hours of 8:00 a.m. and 5:00 p.m.
>
> Sunday, May 30, 2021 between the hours of 1:00 p.m. and 6:00 p.m.
>
> Monday, May 31, 2021 and Tuesday, June 1, 2021 between the hours of 7:00 a.m. to 7:00 p.m.

Section 7
NOTICE OF ELECTION; PUBLICATION AND POSTING

This election order shall constitute a notice of election and this notice shall be:

(1) published at least once, not earlier than the 30th day or later than the 10th day before the general election day, which publication shall include a complete listing of all polling places;

and

(2) posted on the bulletin board used for posting notices of the meetings of the City Council, which copy shall also include a complete listing of all polling places, not later than the 21st day before the general election.

Section 8

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

PASSED AND APPROVED this the __th day of February, 2021.

CITY OF GARLAND, TEXAS

____
Mayor

ATTEST:

____
City Secretary

POSTED: ____________________

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **13.**

Meeting Date: 02/02/2021

Item Title: Public Hearing for the Trails and Bikeways Master Plan

Submitted By: Andy Hesser, Managing Director

Summary of Request/Problem

This item is to hold a public hearing to provide a final opportunity to receive public input on the Trails and Bikeways Master Plan. Staff and the consultant team have been working on the Plan since September 2019 and have held a series of public meetings, focus group meetings, and online engagements to obtain feedback from Garland citizens throughout the process.

The purpose of the Trails and Bikeways Master Plan is to conduct an assessment of and recommend improvements to the overall trail and bikeway network in Garland. This plan serves as a framework for development of on and off-street facilities, design standards and policies, and a prioritized implementation plan for the recommended trails and bike accommodations. Additionally, the plan provides guidance for future expenditures for trail and bikeway facilities. Implementation of the plan elements will enhance Garland's local and regional connectivity through alternative transportation routes.

Recommendation/Action Requested and Justification

Staff is requesting to hear public input prior to formal Council consideration for adoption of the Plan. Unless otherwise directed by Council, this item will be considered for formal consideration at the February 16, 2021 Regular Meeting.

GARLAND

CITY COUNCIL ITEM SUMMARY SHEET

City Council Regular Session Agenda **14.**

Meeting Date: 02/02/2021

Item Title: 2021 Proposed CIP Public Hearing

Submitted By: Ron Young, Budget Director

Summary of Request/Problem

A public hearing will be held on the 2021 Proposed Capital Improvement Program (CIP). At the public hearing, all interested persons will be given the opportunity to be heard for or against the Proposed CIP Program. The 2021 Proposed CIP is available for public inspection in the City's libraries and the City Secretary's Office and has been on the City's website since January 13, 2021.

Recommendation/Action Requested and Justification

Receive public comment.
