



GARLAND

AGENDA

CITY COUNCIL WORK SESSION City of Garland

REMOTE MEETING

Monday, May 3, 2021
6:00 p.m.

DEFINITIONS:

Written Briefing: Items that generally do not require a presentation or discussion by the staff or Council. On these items the staff is seeking direction from the Council or providing information in a written format.

Verbal Briefing: These items do not require written background information or are an update on items previously discussed by the Council.

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_M5FqDMB_Sjacrf91lu9GUQ

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:

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

The Meeting ID is: 974 6425 1702

For participants (online and by phone) who wish to speak, a public comments period is provided as the first item on the agenda. If you desire to address the City Council on a matter that is posted on this agenda, please be prepared to do so at the beginning of the meeting. After the City Council has begun its discussion of the agenda, you will not be recognized to speak. The public comments portion of the meeting is provided for citizen comments. You are invited to offer a comment or make a statement on any item on the agenda. However, please bear in mind that offering comments should not be done in the form of posing questions. Generally, due to legal restrictions, the City Council is not able to answer questions during the public comments portion of the agenda. Your comments must relate to an item on this agenda - non-germane comments are not in order.

If an Executive Session is included as part of the agenda for 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

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|--|---|
| 1. Decisions based on issues, goals and vision. | 9. Follow goals, principles and action agenda. |
| 2. Do not take things personal. | 10. Decide, vote and move on. |
| 3. Project a positive attitude. | 11. Avoid ambushes - Council or staff. |
| 4. Focus on issues, not on the person. | 12. Talk to staff before meetings. |
| 5. Be prepared to discuss issues. | 13. Vote our convictions, but be willing to compromise <i>"What is best for Garland."</i> |
| 6. Maintain decorum. | 14. Follow Roberts Rules of Order consistently. |
| 7. Keep your sense of humor. | 15. Agree to disagree. |
| 8. Honor and respect each other; accept each other as individuals. | 16. Be open and honest. |

NOTICE: The City Council may recess from the open session and convene in a closed executive session if the discussion of any of the listed agenda items concerns one or more of the following matters:

(1) Pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct. Sec. 551.071, Tex. Gov't Code.

(2) The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.072, Tex. Gov't Code.

(3) A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Sec. 551.073, Tex. Gov't Code.

(4) Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Sec. 551.074, Tex. Gov't Code.

(5) The deployment, or specific occasions for implementation of security personnel or devices. Sec. 551.076, Tex. Gov't Code.

(6) Discussions or deliberations regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City and with which the City is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect of the sort described in this provision. Sec. 551.087, Tex. Gov't Code.

(7) Discussions, deliberations, votes, or other final action on matters related to the City's competitive activity, including information that would, if disclosed, give advantage to competitors or prospective competitors and is reasonably related to one or more of the following categories of information:

- generation unit specific and portfolio fixed and variable costs, including forecasts of those costs, capital improvement plans for generation units, and generation unit operating characteristics and outage scheduling;
- bidding and pricing information for purchased power, generation and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies;
- effective fuel and purchased power agreements and fuel transportation arrangements and contracts;
- risk management information, contracts, and strategies, including fuel hedging and storage;
- plans, studies, proposals, and analyses for system improvements, additions, or sales, other than transmission and distribution system improvements inside the service area for which the public power utility is the sole certificated retail provider; and
- customer billing, contract, and usage information, electric power pricing information, system load characteristics, and electric power marketing analyses and strategies. Sec. 551.086; Tex. Gov't Code; Sec. 552.133, Tex. Gov't Code]

1. Public Comments on Work Session Items

Persons who desire to address the City Council on any item on the Work Session agenda are allowed three minutes to speak. Speakers are taken only at the beginning of the meeting, other than invited testimony.

Speakers are grouped by Work Session item and will be taken in the order of the Work Session agenda. Speakers must submit to the City Secretary a completed speaker's card before the beginning of the meeting. Speaker cards will not be accepted after the Mayor calls the meeting to order. Speaker cards are available in the lobby, at the visitor's side of the Work Session Room, and from members of staff.

Speakers are limited to addressing items on the Work Session agenda – any item relating to a Regular Session agenda item should be addressed at the Regular Session and any item not on an agenda may be addressed during the open microphone at the end of the Regular Session.

2. Consider the Consent Agenda

A member of the City Council may ask for discussion or further information on an item posted as a consent agenda item on the next Regular Meeting of the City Council. The Council Member may also ask that an item on the posted consent agenda be pulled from the consent agenda and considered for a vote separate from consent agenda items on the regular agenda. All discussions or deliberations on this portion of the work session agenda are limited to posted agenda items and may not include a new or unposted subject matter.

3. Written Briefings:

a. 2020-21 Budget Amendment No. 4

Council is requested to approve Budget Amendment No. 4 in order to appropriate available funds to provide a one-time, lump sum payment to City employees. This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

b. Investment Portfolio Summary

Staff presents the Portfolio Summary report to Council each quarter. The report is in compliance with the requirements of the Public Funds Investment Act. Management of the City's portfolios is conducted in accordance with the City Council Financial Policy, Statement of Investment Strategy and Investment Policy.

c. Bond Refunding - Electric Utility Revenue Refunding Bonds

Council is requested to approve an ordinance providing for the refunding of Electric System Subordinate Lien Revenue Notes, Taxable Series 2021 and Electric Utility System Commercial Paper Notes, Series 2018, appointing a pricing officer and delegating to the pricing officer the authority to approve on behalf of the City the terms of sale of refunding bonds, and establishing parameters for the approval of such matters by the pricing officer. This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

d. Oncor Rate Case Denial

Council is requested to approve a resolution denying a rate application proposed by Oncor. This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

4. Verbal Briefings:

a. COVID-19 Response Update and Further Actions

Staff will provide an update to Council and ask for Council direction, if needed, on various matters related to COVID-19 and actions being taken by the City.

b. Street Department Program Update

The Director of Streets will provide an update to the City Council on the status of the department's maintenance and construction programs.

c. Windsurf Bay Park

At the request of Mayor Pro Tem Jerry Nickerson and Mayor Scott LeMay, Council is requested to discuss the possible reopening of Windsurf Bay Park.

d. Public Safety Committee Report

Council Member Robert Vera, Chairman of the Public Safety Committee, and Chief Jeff Bryan, Staff Liaison to the Committee, will provide a committee report on the following items assigned to the Committee:

- *Review parking ordinance for unregistered vehicles stored on streets*
- *Consider requiring Key Storage System for Apartment Complexes*

- e. **2021-2022 Discussion of the Community Development Block Grant (CDBG), HOME Infill Partnership Grant (HOME) and Emergency Solutions Grant Allocations Grant (ESG) Allocations**

Staff is requesting Council direction for the allocation of CDBG, HOME and ESG funding. This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

5. Announce Future Agenda Items

A member of the City Council, with a second by another member, or the Mayor alone, may ask that an item be placed on a future agenda of the City Council or a committee of the City Council. No substantive discussion of that item will take place at this time.

6. Council will move into Executive Session

**EXECUTIVE SESSION
AGENDA**

NOTICE: The City Council may recess from the open session and convene in a closed executive session if the discussion of any of the listed agenda items concerns one or more of the following matters:

The City Council will adjourn into executive session pursuant to Sections 551.072 and 551.071 of the Texas Government Code to deliberate or discuss:

The purchase, exchange, lease or value of a tract of real property and improvements located in the downtown area (551.072), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct in regard to the purchase of the aforementioned land and related zoning and land use matters (551.071).

7. Adjourn



GARLAND POLICY REPORT

City Council Work Session Agenda

3. a.

Meeting Date: May 3, 2021
Item Title: 2020-21 Budget Amendment No. 4
Submitted By: Allyson Bell Steadman, Budget Director
Strategic Focus Areas: Sound Governance and Finances

ISSUE

Amend the 2020-21 Adopted Budget in order to appropriate available funds to provide a one-time, lump sum payment to City employees.

OPTIONS

- A. Approve Budget Amendment No. 4 as proposed.
- B. Do not approve Budget Amendment No. 4.

RECOMMENDATION

Option (A) – Approve Budget Amendment No. 4 as proposed. This item is scheduled for formal consideration at the May 4, 2021, Regular Meeting.

BACKGROUND

Based on the assumption that COVID-19 would continue to negatively impact the economy, the 2020-21 Adopted Budget did not award pay increases and asked employees to absorb additional increases in health insurance premiums. As a result of the City's better-than-expected financial performance through the second quarter of the fiscal year, the City Manager is proposing to award a one-time, lump sum payment to City employees of \$1,000 as a "Thank You" for their hard work during a challenging year.

Budget Amendment No. 4 proposes to increase the following Funds' FY 2020-21 appropriations by a total of \$2.5 million to provide a one-time, lump sum payment to City employees. A 3% raise would have cost \$4.1 million. Funding for this request will come from excess fund balance reserves as well as higher-than-anticipated revenue to date for the General Fund.

General Fund	\$1,412,716
Public Health Grant Fund	9,527
Economic Development Fund	3,573
Electric Utility Fund	264,380

Water Utility Fund	75,027
Wastewater Utility Fund	113,136
Environmental Waste Services Fund	107,719
Firewheel Fund	27,390
Stormwater Utility Fund	27,390
Group Health Insurance Fund	17,211
Self Insurance Fund	4,764
Information Technology Fund	72,645
Facilities Management Fund	35,727
Fleet Services Fund	41,682
Warehouse Fund	10,718
Customer Service Fund	102,417
Hotel/Motel Tax Fund	4,764
Housing Assistance Fund	15,482
Community Development Block Grant Fund	9,528
Fair Housing Grant Fund	1,190
Infrastructure Repair & Replacement Fund	97,654
Downtown TIF Fund	1,190
Total All Funds	\$2,455,830

CONSIDERATION

Staff seeks the Council's concurrence for approving the proposed amendment to the 2020-21 Adopted Budget.



GARLAND POLICY REPORT

City Council Work Session Agenda

3. b.

Meeting Date: May 3, 2021

Item Title: Investment Portfolio Summary

Submitted By: Matt Watson, Finance Director

Strategic Focus Areas: Sound Governance and Finances

ISSUE

Staff presents the Portfolio Summary report to Council each quarter. The report is in compliance with the requirements of the Public Funds Investment Act. Management of the City's portfolios is conducted in accordance with the City Council Financial Policy, Statement of Investment Strategy and Investment Policy.

RECOMMENDATION

The March 31, 2021 Portfolio Summary is presented to inform the Council of the current status of the City's invested funds. Staff will be available to discuss the report with Council.

Attachments

Quarterly Investment Portfolio for March 31, 2021



GARLAND

May 3, 2021

To: Members of the City Council,
City Manager,
and City of Garland Residents

The Portfolio Summary report is presented to Council each quarter. We certify that the March 31, 2021 report complies with the requirements of the Public Funds Investment Act. Management of the City's portfolios is maintained in accordance with the City Council Financial Policy, Statement of Investment Policy and Statement of Investment Strategy.

Matt Watson
Finance Director

Kathryn Ritchie
Controller

Don Daugherty
Cash & Debt Manager

City of Garland

Portfolio Summary

The City of Garland Portfolio Summary presents investment portfolio information on eight portfolios. Each portfolio has a purpose with unique investment management characteristics and objectives.

All portfolios and funds on hand are managed in compliance with the requirements of the Public Funds Investment Act. Management of the City's portfolios is conducted in accordance with the City Council Financial Policy, Statement of Investment Policy, and Statement of Investment Strategy.

Treasury Portfolio

The Treasury Portfolio is the primary source of funding City operation and maintenance expenditures. All budgeted revenues as well as bond proceeds are deposited into the Treasury Portfolio. The portfolio is managed so that sufficient liquidity is achieved at all times to support the ongoing operations, maintenance and capital improvements of the City.

General Obligation Interest & Sinking Portfolio

The General Obligation Interest & Sinking Portfolio pays periodic debt service on tax supported debt. Ad Valorem tax collections is the major revenue source. The portfolio is managed to ensure that debt is paid when it becomes due.

Rate Mitigation Portfolio

The Rate Mitigation Portfolio was established in 1997. The assets in the portfolio may be used to either pay Garland Power & Light Electric Utility debt service or to offset rate increases of the Electric Utility. The portfolio is managed according to forecasted funding requirements.

Economic Development Portfolio

The Economic Development Portfolio serves as a funding source for economic development initiatives. The portfolio maintains ample liquidity since a major expenditure can occur within a short amount of time.

CMH Landfill Portfolio

The CMH Landfill Portfolio holds invested funds that will be used to expand the Hinton Landfill when a current refuse cell reaches its capacity. The portfolio is managed so that funding is available when needed.

Water & Sewer Reserve Portfolio

The Water & Sewer Reserve Portfolio is required by Water & Sewer bond covenants. The City is required to set aside a reserve which serves as additional assurance to a bond holder that Water & Sewer debt will be paid when due.

CIP Interim Financing Portfolio

The CIP Interim Financing Portfolio is comprised of funds which will be spent in the General Obligation, the Electric Utility and the Water & Sewer Utility Capital Improvement Programs. The funds are managed to achieve maximum liquidity.

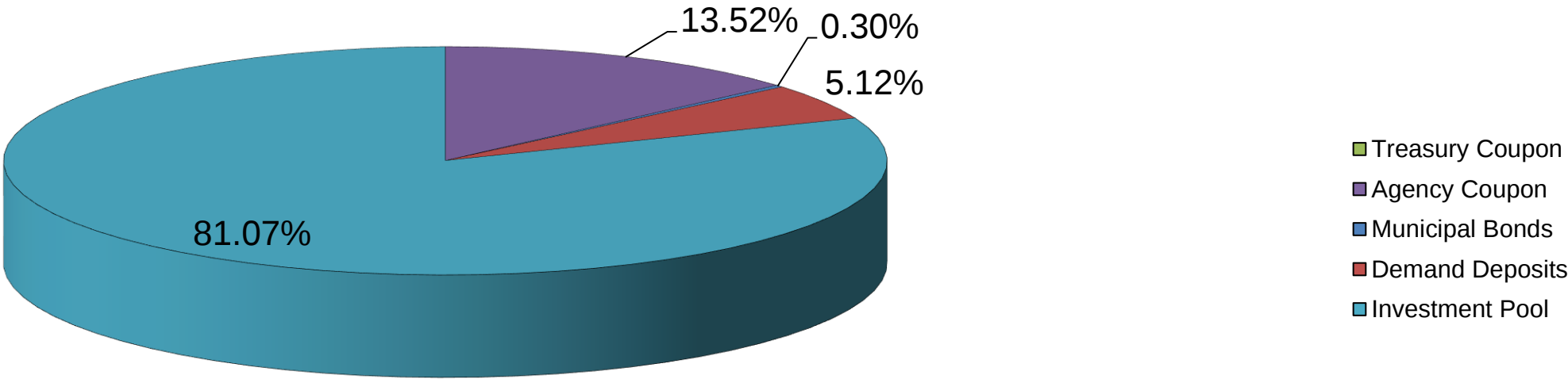
Grants & Other Portfolio

The Grants & Other Portfolio is comprised of funds that have been granted to the City by Federal or State agencies which are yet unspent. Maximum liquidity is required in this portfolio.

Safety - Securities by Type
 City of Garland, Texas
 March 31, 2021

Security Type	Treasury	GO I & S	Rate Mitigation	Economic Development	CMH Landfill	Water & Sewer Reserve	CIP Interim Financing	Grants & Other	Total Book Value	Percent
Treasury Coupon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Agency Coupon	68,023,635	-	-	-	-	-	-	-	68,023,635	13.52%
Municipal Bonds	1,500,000	-	-	-	-	-	-	-	1,500,000	0.30%
Demand Deposits	25,753,166	-	-	-	-	-	-	-	25,753,166	5.12%
Investment Pool	170,466,496	11,053,714	168,706,107	2,235,376	9,832,032	8,216,534	27,882,236	9,644,098	408,036,592	81.07%
Total	\$ 265,743,296	\$ 11,053,714	\$ 168,706,107	\$ 2,235,376	\$ 9,832,032	\$ 8,216,534	\$ 27,882,236	\$ 9,644,098	\$ 503,313,393	100.00%

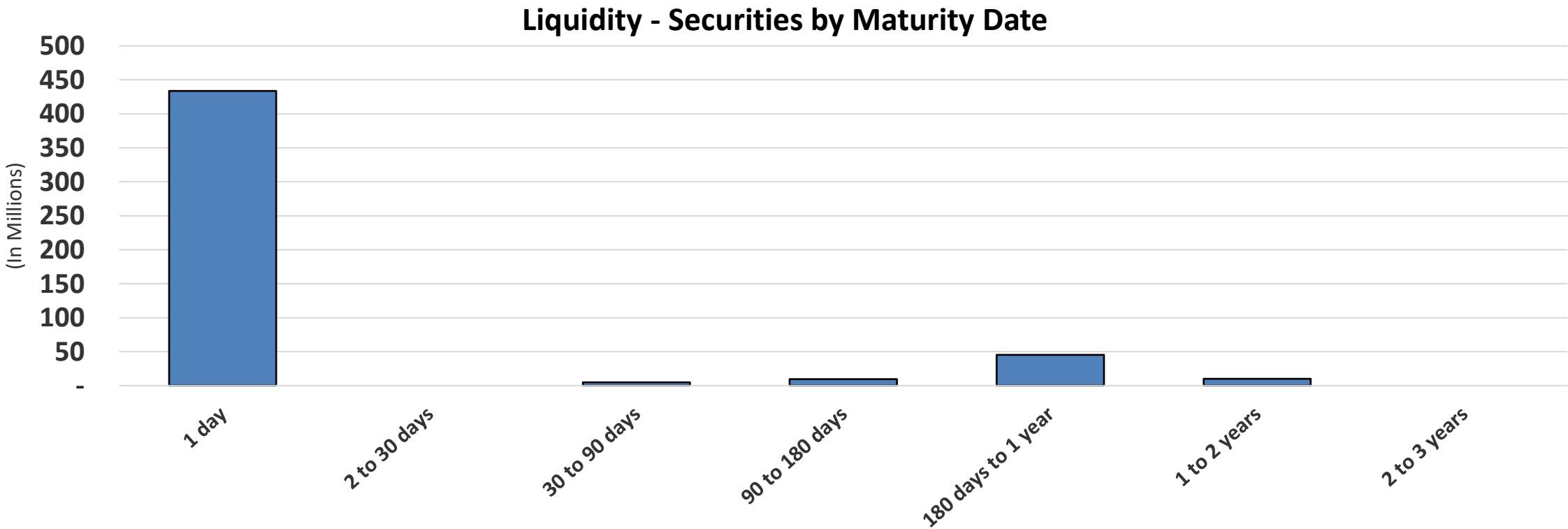
Safety - Securities by Type



Note:
 Safety and preservation of capital are the foremost objectives of the investment program. Types of securities held in the investment portfolio must be authorized by the Texas Government Code and City Council Policy.

Liquidity - Securities by Maturity Date
 City of Garland, Texas
 March 31, 2021

	<u>Treasury</u>	<u>GO I & S</u>	<u>Rate Mitigation</u>	<u>Economic Development</u>	<u>CMH Landfill</u>	<u>Water & Sewer Reserve</u>	<u>CIP Interim Financing</u>	<u>Grants & Other</u>	<u>Total Par Value</u>	<u>Percent</u>
1 day - Pools & Demand Deposits	\$ 196,219,661	\$ 11,053,714	\$ 168,706,107	\$ 2,235,376	\$ 9,832,032	\$ 8,216,534	\$ 27,882,236	\$ 9,644,098	\$ 433,789,758	86.19%
2 to 30 days	-	-	-	-	-	-	-	-	-	0.00%
31 to 90 days	5,000,000	-	-	-	-	-	-	-	5,000,000	0.99%
91 to 180 days	9,500,000	-	-	-	-	-	-	-	9,500,000	1.89%
181 days to 1 year	45,000,000	-	-	-	-	-	-	-	45,000,000	8.94%
1 to 2 years	10,000,000	-	-	-	-	-	-	-	10,000,000	1.99%
2 to 3 years	-	-	-	-	-	-	-	-	-	0.00%
Total	<u>\$ 265,719,661</u>	<u>\$ 11,053,714</u>	<u>\$ 168,706,107</u>	<u>\$ 2,235,376</u>	<u>\$ 9,832,032</u>	<u>\$ 8,216,534</u>	<u>\$ 27,882,236</u>	<u>\$ 9,644,098</u>	<u>\$ 503,289,758</u>	<u>100.00%</u>
Weighted Average Maturity Days	76	1	1	1	1	1	1	1	41	

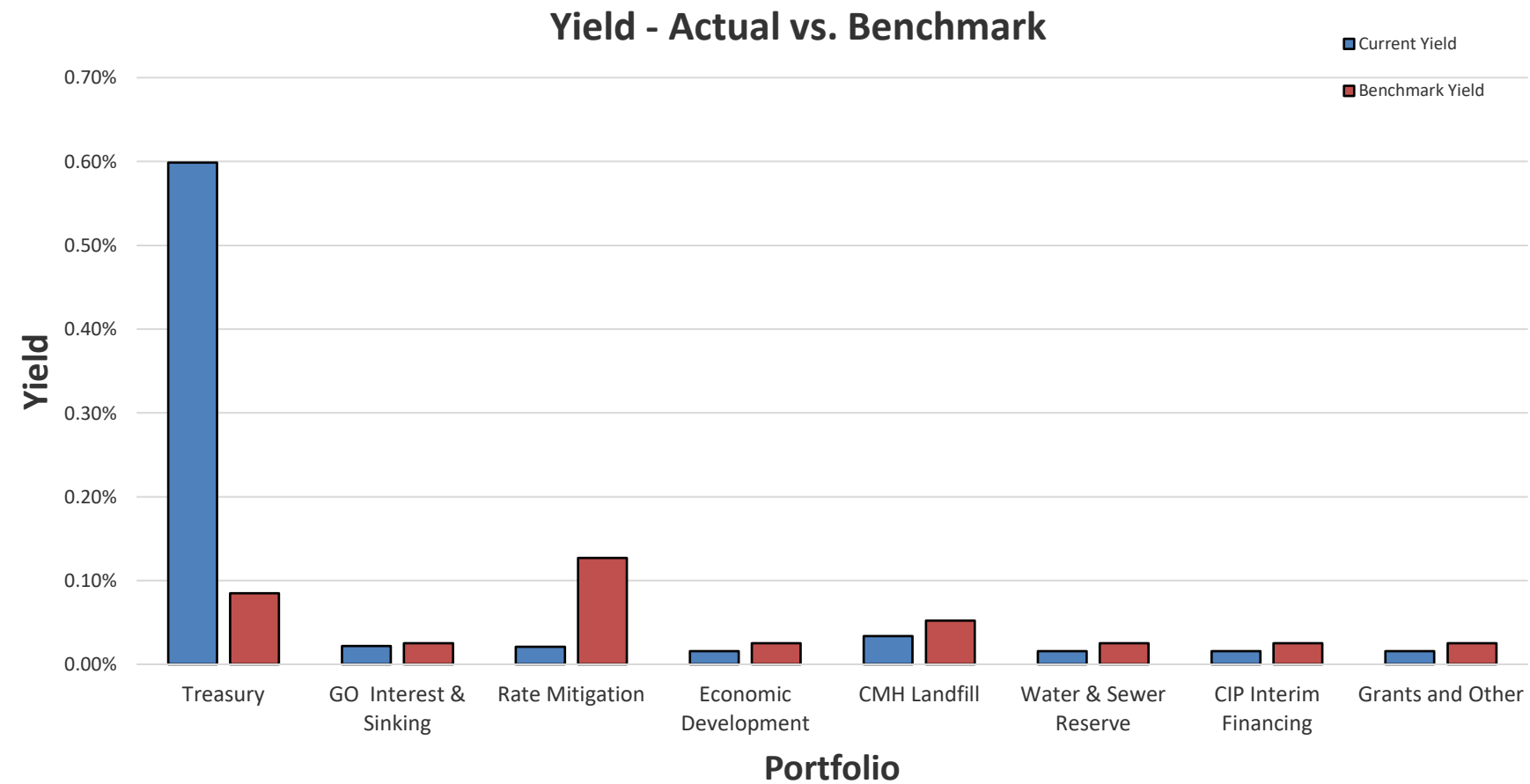


Note:
 Liquidity is maintained in the investment portfolio to ensure that all operating expenditures are paid when due. Securities with varing maturities comprise the investment portfolio so that sufficient funds are always available.

Yield - Interest Income
City of Garland, Texas
March 31, 2021

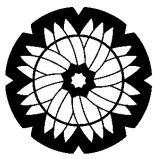
<u>Portfolio</u>	<u>Interest Income Fiscal YTD</u>	<u>Current Yield</u>	<u>Benchmark Yield</u>	<u>Over (Under) Benchmark</u>	<u>Benchmark Source</u>
Treasury	\$ 1,278,132 *	0.599%	0.085%	0.514%	Average 6 month CMT
GO Interest & Sinking	6,857	0.022%	0.025%	-0.003%	Average 1 month CMT
Rate Mitigation	2,435,244 *	0.021%	0.127%	-0.106%	Average 1 year CMT
Economic Development	912	0.016%	0.025%	-0.009%	Average 1 month CMT
CMH Landfill	14,226	0.033%	0.052%	-0.019%	Average 3 month CMT
Water & Sewer Reserve	3,341	0.016%	0.025%	-0.009%	Average 1 month CMT
CIP Interim Financing	8,637	0.016%	0.025%	-0.009%	Average 1 month CMT
Grants and Other	3,685	0.016%	0.025%	-0.009%	Average 1 month CMT
Total Portfolios	\$ 3,751,034				

* Includes Realized Gains & Losses on Sale of Securities (Treasury \$106,975 & Rate Mitigation \$1,602,153)



Note:

The investment program is designed to attain a market average rate of return taking into account the cash flow characteristics of each portfolio. Investment securities are held to maturity. Consequently, losses are not incurred.



City of Garland
Texas Compliance Summary
Sorted by Issuer
October 1, 2020 - March 31, 2021

City of Garland

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Issuer			Par Value	Market Value	Book Value	Accrued Interest
Farmer Mac	Value beginning	10/01/2020	8,000,000.00	8,268,824.72	8,001,818.65	35,733.33
	Net Change		-3,000,000.00	-3,160,230.97	-3,001,181.99	-13,400.00
	Value ending	03/31/2021	5,000,000.00	5,108,593.75	5,000,636.66	22,333.33
Federal Farm Credit Bank	Value beginning	10/01/2020	104,000,000.00	106,174,496.97	104,011,182.62	456,059.59
	Net Change		-71,000,000.00	-72,703,548.76	-71,018,840.98	-342,577.65
	Value ending	03/31/2021	33,000,000.00	33,470,948.21	32,992,341.64	113,481.94
Federal Home Loan Bank	Value beginning	10/01/2020	45,000,000.00	46,313,234.49	45,096,034.66	305,934.03
	Net Change		-20,000,000.00	-20,880,040.79	-20,064,932.31	-183,260.42
	Value ending	03/31/2021	25,000,000.00	25,433,193.70	25,031,102.35	122,673.61
Federal Home Loan Mort. Corp.	Value beginning	10/01/2020	20,000,000.00	20,059,964.20	20,013,012.93	66,197.93
	Net Change		-20,000,000.00	-20,059,964.20	-20,013,012.93	-66,197.93
	Value ending	03/31/2021	0.00	0.00	0.00	0.00
Federally Insured Cash Account	Value beginning	10/01/2020	5,714,083.79	5,714,083.79	5,714,083.79	0.00
	Net Change		1,955.62	1,955.62	1,955.62	0.00
	Value ending	03/31/2021	5,716,039.41	5,716,039.41	5,716,039.41	0.00
Fed National Mort Assoc	Value beginning	10/01/2020	15,000,000.00	15,209,155.50	14,980,648.74	42,534.73
	Net Change		-10,000,000.00	-10,110,109.15	-9,981,094.61	-13,368.06
	Value ending	03/31/2021	5,000,000.00	5,099,046.35	4,999,554.13	29,166.67
Insured Cash Shelter Account	Value beginning	10/01/2020	20,015,455.92	20,015,455.92	20,015,455.92	35.09
	Net Change		21,670.27	21,670.27	21,670.27	0.00
	Value ending	03/31/2021	20,037,126.19	20,037,126.19	20,037,126.19	35.09

Portfolio CITY

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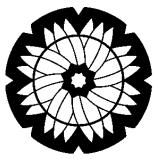
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City of Garland
Texas Compliance Summary
October 1, 2020 - March 31, 2021

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Issuer			Par Value	Market Value	Book Value	Accrued Interest
Municipal Bonds	Value beginning	10/01/2020	6,400,000.00	6,394,176.00	6,400,000.00	3,335.11
	Net Change		-4,900,000.00	-4,894,041.00	-4,900,000.00	-3,118.32
	Value ending	03/31/2021	1,500,000.00	1,500,135.00	1,500,000.00	216.79
TEXPOOL Investement Pool	Value beginning	10/01/2020	207,730,928.02	207,730,928.02	207,730,928.02	0.00
	Net Change		121,974,596.15	121,974,596.15	121,974,596.15	0.00
	Value ending	03/31/2021	329,705,524.17	329,705,524.17	329,705,524.17	0.00
Texpool Prime Investment Pool	Value beginning	10/01/2020	55,936,649.39	55,936,649.39	55,936,649.39	0.00
	Net Change		2,040,646.24	2,040,646.24	2,040,646.24	0.00
	Value ending	03/31/2021	57,977,295.63	57,977,295.63	57,977,295.63	0.00
TXSTAR	Value beginning	10/01/2020	20,347,135.79	20,347,135.79	20,347,135.79	0.00
	Net Change		6,636.55	6,636.55	6,636.55	0.00
	Value ending	03/31/2021	20,353,772.34	20,353,772.34	20,353,772.34	0.00
United States Treasury	Value beginning	10/01/2020	50,000,000.00	50,541,660.00	50,055,626.82	270,771.84
	Net Change		-50,000,000.00	-50,541,660.00	-50,055,626.82	-270,771.84
	Value ending	03/31/2021	0.00	0.00	0.00	0.00
Total	Value beginning	10/01/2020	558,144,252.91	562,705,764.79	558,302,577.33	1,180,601.65
	Net Change		-54,854,495.17	-58,304,090.04	-54,989,184.81	-892,694.22
	Value ending	03/31/2021	503,289,757.74	504,401,674.75	503,313,392.52	287,907.43



City of Garland
Texas Compliance Details
Sorted by Issuer
March 31, 2021

City of Garland

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CUSIP	Investment #	Fund	Investment Type	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Issuer: Farmer Mac												
31422BCD0	2437	100	Federal Agency Coupon Securities	< 1 Y	5,000,000.00	02/01/2022		2.680	102.171	03/31/2021	5,108,593.75	5,000,636.66
				Subtotal	5,000,000.00						5,108,593.75	5,000,636.66
Issuer: Federal Farm Credit Bank												
3133EKRVO	2465	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	06/24/2021		1.900	100.424	03/31/2021	5,021,224.15	4,999,452.43
3133EJTF6	2443	100	Federal Agency Coupon Securities	> 1 Y	3,000,000.00	07/02/2021		2.700	100.675	03/31/2021	3,020,269.26	3,000,989.45
3133EJ5P0	2429	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	01/18/2022		2.600	101.984	03/31/2021	5,099,229.70	4,999,618.98
3133EKAK2	2445	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	02/14/2022		2.530	102.110	03/31/2021	5,105,504.55	4,997,547.45
3133EKBV7	2448	100	Federal Agency Coupon Securities	> 1 Y	10,000,000.00	03/01/2022		2.550	102.262	03/31/2021	10,226,201.30	9,999,908.33
3133EMCH3	2505	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	10/13/2022	10/13/2021	0.160	99.970	03/31/2021	4,998,519.25	4,994,825.00
				Subtotal	33,000,000.00						33,470,948.21	32,992,341.64
Issuer: Federal Home Loan Bank												
313378JP7	2481	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	09/10/2021		2.375	101.016	03/31/2021	5,050,824.65	5,014,740.12
3130AHJY0	2482	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	11/19/2021		1.625	100.989	03/31/2021	5,049,493.55	4,997,851.72
3130AFFN2	2439	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	12/10/2021		3.000	102.017	03/31/2021	5,100,881.05	5,012,183.82
313378WG2	2451	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	03/11/2022		2.500	102.262	03/31/2021	5,113,117.00	5,012,682.03
313379Q69	2454	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	06/10/2022		2.125	102.377	03/31/2021	5,118,877.45	4,993,644.66
				Subtotal	25,000,000.00						25,433,193.70	25,031,102.35
Issuer: Federally Insured Cash Account												
FICA1	1944	100	CD's Rolling	< 1 Y	5,716,039.41			0.050	100.000	10/30/2020	5,716,039.41	5,716,039.41
				Subtotal	5,716,039.41						5,716,039.41	5,716,039.41
Issuer: Fed National Mort Assoc												
3135G0U92	2426	100	Federal Agency Coupon Securities	> 1 Y	5,000,000.00	01/11/2022		2.625	101.980	03/31/2021	5,099,046.35	4,999,554.13
				Subtotal	5,000,000.00						5,099,046.35	4,999,554.13
Issuer: Insured Cash Shelter Account												
ICSA	1991	100	CD's Rolling	< 1 Y	20,037,126.19			0.200	100.000	12/31/2020	20,037,126.19	20,037,126.19
				Subtotal	20,037,126.19						20,037,126.19	20,037,126.19
Issuer: Municipal Bonds												
592112TX4	2511	100	Municipal Bonds	> 1 Y	1,500,000.00	07/01/2021		0.121	100.009	03/31/2021	1,500,135.00	1,500,000.00

Portfolio CITY
AP

CM (PRF_CM) 7.1.1
Report Ver. 7.3.6.1

City of Garland
Texas Compliance Details
March 31, 2021

CUSIP	Investment #	Fund	Investment Type	Investment Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
				Subtotal	1,500,000.00						1,500,135.00	1,500,000.00
Issuer: TEXPOOL Investement Pool												
TREASURY	1825	100	Investment Pool Accounts	< 1 Y	108,188,564.94			0.016	100.000	10/30/2020	108,188,564.94	108,188,564.94
DEBTSVC	1814	111	Investment Pool Accounts	< 1 Y	10,065,996.47			0.016	100.000	10/30/2020	10,065,996.47	10,065,996.47
RATE	1815	214	Investment Pool Accounts	< 1 Y	156,164,745.80			0.016	100.000	10/30/2020	156,164,745.80	156,164,745.80
LANDFILL	1812	635	Investment Pool Accounts	< 1 Y	7,307,972.57			0.016	100.000	10/30/2020	7,307,972.57	7,307,972.57
WTR-RES-OTHER	1833	223-02	Investment Pool Accounts	< 1 Y	3,506,954.69			0.016	100.000	10/30/2020	3,506,954.69	3,506,954.69
SWR-RES-OTHER	1834	233-02	Investment Pool Accounts	< 1 Y	4,562,060.24			0.016	100.000	10/30/2020	4,562,060.24	4,562,060.24
HCV	1865	822-01	Investment Pool Accounts	< 1 Y	1,853,307.91			0.016	100.000	10/30/2020	1,853,307.91	1,853,307.91
FSS ESCROW	1866	822-02	Investment Pool Accounts	< 1 Y	104,701.33			0.016	100.000	10/30/2020	104,701.33	104,701.33
SEIZURE OTHR	1905	923	Investment Pool Accounts	< 1 Y	65,584.47			0.016	100.000	10/30/2020	65,584.47	65,584.47
ED FD	2186	215	Investment Pool Accounts	< 1 Y	2,235,375.97			0.016	100.000	10/30/2020	2,235,375.97	2,235,375.97
GO CP	2268	601	Investment Pool Accounts	< 1 Y	2,436,687.80			0.016	100.000	10/30/2020	2,436,687.80	2,436,687.80
ELEC CP	2269	210	Investment Pool Accounts	< 1 Y	9,827,381.12			0.016	100.000	10/30/2020	9,827,381.12	9,827,381.12
WATER CP	2270	220	Investment Pool Accounts	< 1 Y	1,165,055.32			0.016	100.000	10/30/2020	1,165,055.32	1,165,055.32
SEWER CP	2271	230	Investment Pool Accounts	< 1 Y	6,120,938.39			0.016	100.000	10/30/2020	6,120,938.39	6,120,938.39
JAG-2018	2469	871-18	Investment Pool Accounts	< 1 Y	0.01			0.016	100.000	10/30/2020	0.01	0.01
TWDB PRIN	2474	228-01	Investment Pool Accounts	< 1 Y	348,286.78			0.016	100.000	10/30/2020	348,286.78	348,286.78
TWDB ESCROW	2475	228-02	Investment Pool Accounts	< 1 Y	5,538,025.98			0.016	100.000	10/30/2020	5,538,025.98	5,538,025.98
TWDB RESERVE	2477	228-03	Investment Pool Accounts	< 1 Y	147,519.44			0.016	100.000	10/30/2020	147,519.44	147,519.44
COVID 19	2502	941	Investment Pool Accounts	< 1 Y	7,620,504.27			0.016	100.000	10/30/2020	7,620,504.27	7,620,504.27
RTR PROJECT	2504	692	Investment Pool Accounts	< 1 Y	2,445,860.67			0.016	100.000	10/30/2020	2,445,860.67	2,445,860.67
				Subtotal	329,705,524.17						329,705,524.17	329,705,524.17
Issuer: Texpool Prime Investment Pool												
SYS2417	2417	100	Investment Pool Accounts	< 1 Y	41,924,158.45			0.085	100.000	10/30/2020	41,924,158.45	41,924,158.45
SYS2418	2418	214	Investment Pool Accounts	< 1 Y	12,541,360.74			0.085	100.000	10/30/2020	12,541,360.74	12,541,360.74
SYS2418	2419	635	Investment Pool Accounts	< 1 Y	2,524,059.18			0.085	100.000	10/30/2020	2,524,059.18	2,524,059.18
SYS2418	2420	111	Investment Pool Accounts	< 1 Y	987,717.26			0.085	100.000	10/30/2020	987,717.26	987,717.26
				Subtotal	57,977,295.63						57,977,295.63	57,977,295.63
Issuer: TXSTAR												
TEXSTAR	1822	100	Investment Pool Accounts	< 1 Y	20,353,772.34			0.022	100.000	10/30/2020	20,353,772.34	20,353,772.34
				Subtotal	20,353,772.34						20,353,772.34	20,353,772.34
				Total	503,289,757.74						504,401,674.75	503,313,392.52



GARLAND POLICY REPORT

City Council Work Session Agenda

3. c.

Meeting Date: May 3, 2021

Item Title: Bond Refunding - Electric Utility Revenue Refunding Bonds

Submitted By: Matt Watson, Finance Director

Strategic Focus Areas: Sound Governance and Finances

ISSUE

Consider refunding Electric System Subordinate Lien Revenue Notes, Taxable Series 2021 and Electric Utility System Commercial Paper Notes, Series 2018, appointing a pricing officer and delegating to the pricing officer the authority to approve on behalf of the City the terms of sale of refunding bonds, and establishing parameters for the approval of such matters by the pricing officer.

OPTIONS

1. Approve an ordinance providing for the refunding of Electric System Subordinate Lien Revenue Notes, Taxable Series 2021 and Electric Utility System Commercial Paper Notes, Series 2018, appointing a pricing officer and delegating to the pricing officer the authority to approve on behalf of the City the terms of sale of refunding bonds, and establishing parameters for the approval of such matters by the pricing officer.
2. Do not approve an ordinance providing for the refunding of Electric System Subordinate Lien Revenue Notes, Taxable Series 2021 and Electric Utility System Commercial Paper Notes, Series 2018, appointing a pricing officer and delegating to the pricing officer the authority to approve on behalf of the City the terms of sale of refunding bonds, and establishing parameters for the approval of such matters by the pricing officer.

RECOMMENDATION

This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

BACKGROUND

At the March 2, 2021 Regular Meeting, Council authorized the issuance of \$150 million of Electric Utility System Revenue Notes, Taxable Series 2021. These notes were issued as a short-term debt obligation with the intent of refunding the notes into fixed-rate long-term Electric Utility Revenue Refunding Bonds at a later date. In addition, the Electric Utility Commercial Paper Program finances the construction of various capital improvement projects for the Electric Utility. Funding capacity of this variable rate program is \$80 million. Staff is requesting that these variable rate notes be refunded into fixed rate long-term Electric Utility System Revenue Refunding Bonds.

At this time the exact amount of Commercial Paper Notes to be refunded is not known. Therefore, staff is requesting that Council authorize, the City Manager and Finance Director, to act as the pricing officer on behalf of the City in selling and delivering the bonds and determining the exact amount of Commercial Paper Notes and Revenue Notes to be refunded by a series of bonds. The authority to issue these refunding bonds will be government by the following requirements:

1. The aggregate original principal amount of all bonds issued by this ordinance shall not exceed \$250 million. This not-to-exceed amount was derived so that staff has the flexibility to ensure that the \$150 million Revenue Notes, the \$80 million Commercial Paper Program capacity, and interest and financing cost associated with these notes can be refunded into long-term debt.
2. The Bonds shall not bear interest at a rate that exceeds the maximum rate provided by State law.
3. The maximum maturity for the series of bonds shall not extend beyond March 1, 2052. It should be noted that Electric Utility Revenue Bonds are typically issued for 30 years.

The delegation of the City Manager and/or the Finance Director as pricing officer will expire after 12 months from the date of the adoption of the ordinance.

CONSIDERATION

The process for selling and delivering these bonds will involve Hilltop Securities and McCall, Parkhurst & Horton LLP, the City's financial advisor and bond counsel, respectively. Staff will update Council at a future Work Session regarding this refunding.

Attachments

Bond Refunding Ordinance

ORDINANCE OF THE CITY OF GARLAND, TEXAS

AUTHORIZING THE ISSUANCE OF

**CITY OF GARLAND, TEXAS
ELECTRIC UTILITY SYSTEM
REVENUE REFUNDING BONDS NEW SERIES**

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AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF CITY OF GARLAND, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BONDS, NEW SERIES; ESTABLISHING THE OBLIGATIONS TO BE REFUNDED WITH PROCEEDS OF SAID BONDS; PROVIDING FOR SAID BONDS TO BE ISSUED AS TAXABLE BONDS OR TAX-EXEMPT BONDS; APPOINTING A PRICING OFFICER AND DELEGATING TO THE PRICING OFFICER THE AUTHORITY TO APPROVE ON BEHALF OF THE CITY THE TERMS OF SALE OF SAID BONDS AND THE OFFERING DOCUMENTS FOR SAID BONDS; ESTABLISHING CERTAIN PARAMETERS FOR THE APPROVAL OF SUCH MATTERS BY THE PRICING OFFICER; PLEDGING THE NET REVENUES OF THE CITY'S ELECTRIC UTILITY SYSTEM TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF ONE OR MORE PAYING AGENT/REGISTRAR AGREEMENTS, PURCHASE AGREEMENTS AND ESCROW AGREEMENTS, IF REQUIRED IN CONNECTION WITH THE REFUNDING OF THE REFUNDED OBLIGATIONS; AND PROVIDING AN EFFECTIVE DATE

THE STATE OF TEXAS	§
COUNTIES OF DALLAS, COLLIN AND ROCKWALL	§
CITY OF GARLAND	§

WHEREAS, the City of Garland, Texas (the "City") is an "Issuer" under Section 1371.001(4)(A), Texas Government Code, being (i) a home-rule municipality that: (A) adopted its charter under Section 5, Article XI, Texas Constitution; (B) has a population of 50,000 or more; and (B) has outstanding long-term indebtedness that is rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for a long-term obligation; and

WHEREAS, the City has heretofore issued its Prior Lien Bonds and its Previously Issued Bonds (as such terms are hereinafter defined); and

WHEREAS, in the ordinances authorizing the issuance of the Previously Issued Bonds, the City reserved the right to issue additional parity bonds secured by a lien on and pledge of the Net Revenues (hereinafter defined) of the City's Electric Utility System (the "System") on a parity with the Previously Issued Bonds; and

WHEREAS, the City Council (the "Council") of the City, in accordance with the provisions of Texas Government Code, Chapter 1371 ("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 System; and

WHEREAS, the Council in accordance with Chapter 1371 has heretofore authorized by ordinance and provided for the issuance of the "City of Garland, Texas, Electric System Subordinate Lien Revenue Notes, Taxable Series 2021" in the amount of \$150,000,000 (the "Revenue Notes") for the purpose of financing Eligible Projects (as defined in Section 1371.001(2), Texas Government

Code) of the System, including capital assets and facilities incident and related to the operation, maintenance and administration thereof, and with respect to a property or a facility for the generation of electric power and energy, fuel acquisition or the development or transportation of power, energy, or fuel, all as provided in Chapter 1371; and

WHEREAS, Chapter 1371 and Chapter 1207, Texas Government Code, as amended ("Chapter 1207"), authorizes the City to issue refunding bonds to refund all or a portion of its outstanding obligations to refund obligations issued in connection with an Eligible Project; and

WHEREAS, the Council has determined that it is in the best interest of the City to issue the bonds hereinafter authorized (the "Bonds") secured by a lien on and pledge of the Net Revenues on a parity with the Previously Issued Bonds for the purposes, among other things, of refunding all or a portion of the outstanding Commercial Paper Notes and Revenue Notes (collectively, the "Refunded Obligations") to restructure a portion of the City's System debt service requirements by extending the debt to mature over a term that is generally commensurate with the expected life of the System facilities and/or to provide rate relief for System ratepayers; and

WHEREAS, the Council hereby finds and determines that the manner in which the refunding of the Commercial Paper 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 refunding and refinancing of the Commercial Paper Notes into long-term obligations; and

WHEREAS, the Bonds hereinafter authorized are to be issued and delivered pursuant to the laws of the State of Texas, including specifically Chapter 1207 and Chapter 1371; and

WHEREAS, pursuant to the provisions of Chapter 1207, the Council is authorized to issue refunding bonds and deposit the proceeds of sale directly with the place of payment for the Refunded Obligations, as appropriate, or other authorized depository, and such deposits, when made in accordance with said statutes, and ordinances authorizing the issuance of the Refunded Obligations, shall constitute the making of firm banking and financial arrangements for the defeasance, discharge and payment of the Refunded Obligations at their maturity or redemption date; 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 that is subordinate to the pledge of and lien on the Net Revenues associated with the Prior Lien Bonds but on a parity with the pledge of and lien on the Net Revenues that secures the payment of the Previously Issued Bonds; 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, and specifically to refund the Refunded Obligations in the amounts specified by a Pricing Officer in the Pricing Certificate, each as defined below; and

WHEREAS, It is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. ch. 551; Now, Therefore

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

SECTION 1. INCORPORATION OF RECITALS. The recitals set forth in the preambles hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

SECTION 2. PURPOSE OF THE BONDS. The Bonds are hereby authorized to be issued in one or more series and delivered in the aggregate principal amount specified in one or more certificates executed pursuant to Section 4 of this Ordinance, which supplements and completes this Ordinance (each, a "Pricing Certificate"), for the public purpose of providing funds to refund a portion of the City's outstanding System indebtedness and to pay the costs incurred in connection with the issuance of the Bonds.

SECTION 3. DESIGNATION OF THE BONDS. Unless otherwise provided in the respective Pricing Certificate, each bond issued pursuant to this Order shall be designated: "CITY OF GARLAND, TEXAS, ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BOND [TAXABLE][TAX-EXEMPT] NEW SERIES 2021," (as applicable) and initially there shall be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons, payable to the respective Owners thereof (with the initial bonds being made payable to the initial purchaser identified in the respective Pricing Certificate, or to the registered assignee or assignees of said bonds or any portion or portions thereof. The Bonds shall be in the respective denominations and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts, and shall bear interest to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

SECTION 4. DELEGATION TO PRICING OFFICER.

(a) As authorized by Chapter 1207 and Section 1371.053, Texas Government Code, the City Manager and the City's Director of Finance, are each hereby authorized to act on behalf of the City in selling and delivering the Bonds (of which officers, the officer executing a Pricing Certificate shall be hereinafter referred to as, and shall for all purposes be, the "Pricing Officer" with respect to such series) in one or more series, and, in addition to any other authorization provided in this Ordinance, each Pricing Officer is authorized to determine: (i) the amount of the Commercial Paper Notes and Revenue Notes that shall be refunded by a series of Bonds; (ii) the Bond Date of a series of Bonds and any additional or different designation or title by which a series of Bonds shall be known; (iii) the date that interest shall begin to accrue on a series of Bonds; (iv) the identity of the purchaser or purchasers of a series of Bonds and the terms under which a series of Bonds shall be sold including the price at which the Bonds will be sold; (v), the years in which the Bonds of a series will mature and the principal amount to mature in each of such years; (vi), the rate of interest to be

borne by each such maturity, (vii) the interest payment and record dates, the price and terms, if any, upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions; (viii) whether the Bonds of a series shall be issued on a tax-exempt basis or on a taxable basis and whether Bonds issued as tax-exempt obligations shall be designated as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Internal Revenue Code of 1986, as amended; (ix) whether the types of securities and obligations that may be used as Government Obligations for a series shall be limited; (x) whether to obtain a policy of bond insurance from a Bond Insurer if bond insurance is deemed beneficial to the City to achieve the objectives of the refunding; and (xi) all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, including without limitation establishing the redemption date for and effecting the redemption of the Refunded Obligations. All of the determinations specified above shall be set forth in a Pricing Certificate.

(b) Notwithstanding anything in this Section 4 to the contrary, the authority of each Pricing Officer shall be governed by the following requirements:

(i) the aggregate original principal amount of all Bonds issued pursuant to this Ordinance shall not exceed \$250,000,000;

(ii) no Bond shall bear interest at a rate that exceeds the maximum rate provided by State law;

(iv) the maximum maturity for a series of Bonds shall not extend beyond March 1, 2052; and

(iv) the delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to the date that is twelve months after the adoption of this Ordinance by the City Council.

(c) In establishing the aggregate principal amount of a series of Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (b) hereof, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The Bonds may be sold by public offering (either through a negotiated or competitive offering) or by private placement. If the Bonds are sold by private placement, the Pricing Certificate shall so state, and the Pricing Certificate may make changes to this Ordinance to effect such private placement, including the provisions hereof that pertain to the book-entry-only procedures (including eliminating the book-entry-only system of registrations, payment and transfers) and to the provisions of Section 36 hereof relating to the Rule 15c2-12 undertaking pertaining to the applicable series of Bonds (including eliminating or replacing such undertaking with an agreement to provide alternative disclosure information).

(d) In furtherance of authority granted by Section 1207.007(b), Texas Government Code, the Pricing Officer is further authorized to enter into and execute on behalf of the City with a

financial institution that is authorized to serve as an escrow agent for all or part of the Refunded Obligations, an escrow agreement (the "Escrow Agreement"), if, in the judgment of the Pricing Officer such an agreement is required in connection with the refunding or all or part of the Refunded Obligations. The form of the Escrow Agreement shall be approved by the Pricing Officer to provide for the payment of the applicable Refunded Obligations. In addition, the Pricing Officer is authorized to purchase such securities with proceeds of the Bonds, to execute such subscriptions for the purchase of the United States Treasury Securities, State and Local Government Series or to purchase other securities authorized by State law in the open market, and to transfer and deposit such cash from available funds, as may be necessary or appropriate for the escrow fund described in the Escrow Agreement.

(e) In satisfaction of Section 1201.022(a)(3)(B), Texas Government Code, the Council hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms of the Bonds set forth in this Ordinance is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated into the Pricing Certificate will be, in the City's best interests, and the Pricing Officer is hereby authorized to make and include in the Pricing Certificate a finding to that effect.

SECTION 5. CHARACTERISTICS OF THE BONDS.

(a) Registration. The City shall keep or cause to be kept at the corporate trust office of the financial institution named as the Paying Agent/Registrar in the respective Pricing Certificate (collectively, the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Bonds of a series (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

(b) Transfer, Conversion and Exchange. Except as provided in Section 7(a) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of

any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Chapter 1201, Government Code, as amended, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds that initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller of Public Accounts.

(c) Payment of Bonds and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the applicable series of Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(d) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Owners thereof, (ii) shall be in the denominations, (iii) may be converted and exchanged for other Bonds, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Bond initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(e) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and 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 shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and 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 6. CITY TO MAINTAIN A PAYING AGENT/REGISTRAR FOR THE BONDS. The City covenants with the Owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 50 days written notice to the Paying Agent/Registrar, to be effective not later than 45 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

SECTION 7. AUTHENTICATION OF BONDS; INITIAL BOND.

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

(b) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the purchaser designated in the Pricing Certificate or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Paying Agent/Registrar shall cancel the initial Bond and deliver to the Depository Trust Company on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

SECTION 8. BOOK-ENTRY ONLY SYSTEM.

(a) Depository Trust Company. The Bonds issued in exchange for the Bond initially issued to the initial purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (b) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than an Owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the Owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest pursuant

to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

The previous execution and delivery of the Blanket Letter of Representations with respect to obligations of the City is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

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

(c) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representations letter of the City to DTC.

SECTION 9. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance, and with the Bonds to be completed with information set forth in the Pricing Certificate. The Form of Bond shall be completed with information set forth in the Pricing Certificate and shall be attached to the Pricing Certificate as an exhibit thereto.

(a) [Form of Bond]

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF GARLAND, TEXAS ELECTRIC UTILITY SYSTEM REVENUE REFUNDING BOND [TAXABLE][TAX-EXEMPT] NEW SERIES 2021__	PRINCIPAL AMOUNT \$_____
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	INITIAL DELIVERY DATE OF BONDS	MATURITY DATE	CUSIP NO.
INTEREST RATE	_____, 2021	_____, _____	_____

Owner:

PRINCIPAL AMOUNT: _____ DOLLARS

ON THE MATURITY DATE specified above, the City of Garland, in Dallas, Collin and Rockwall Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Owner specified above, or registered assigns (hereinafter called the "Owner"), on the Maturity Date specified above, the Principal Amount specified above. The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Initial Delivery Date of Bonds set forth above at the Interest Rate per annum specified above. Interest is payable on _____ and semiannually on each _____ and _____ thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the principal corporate trust office of _____, in _____, _____, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Owner hereof

on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Bond (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Owner hereof, at its address as it appeared on the fifteenth day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Owner upon presentation and surrender of this Bond for payment or redemption at the principal corporate trust office of the Paying Agent/Registrar. The City covenants with the Owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Bond Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for any 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 principal corporate trust 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 that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated as of _____ (the "Bond Date") of like designation and tenor, except as to number, interest rate, denomination, and maturity issued pursuant to the ordinance adopted by the governing body of the City (herein referred to as the "Ordinance") in the original aggregate principal amount of \$_____ for the purpose of refunding certain outstanding obligations payable from revenues of the City's Electric Utility System 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, Chapters 1207 and 1371, as amended, and the Ordinance.

THE BONDS OF THIS SERIES maturing on _____ in the years _____ are subject to mandatory redemption prior to maturity in part at random, by lot or other customary

method selected by the Paying Agent/Registrar, at par plus accrued interest to the redemption date, and without premium, with funds on deposit in the Interest and Sinking Fund. Such Bonds shall be redeemed by the Paying Agent/Registrar on _____ in each of the years and in the principal amounts, respectively, as are set forth in the following schedule:

Bonds Maturing		Bonds Maturing		Bonds Maturing	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>

⁽¹⁾ Final maturity of Bond.

The principal amount of the Bonds required to be redeemed pursuant to the operation of such mandatory sinking fund shall be reduced by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been purchased by the City and delivered to the Paying Agent/Registrar for cancellation or (ii) redeemed pursuant to the optional redemption provision described below and not theretofore credited against a mandatory sinking fund requirement.

IN ADDITION TO THE FOREGOING MANDATORY REDEMPTION, the Bonds of this series maturing on and after _____ may be redeemed prior to their scheduled maturities on any date on or after _____, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the City (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the Owner of each Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date; provided, however, that the failure of the Owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be

treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Bond may, at the request of the Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Owners of the Bonds.

THE BONDS CONSTITUTE SPECIAL OBLIGATIONS of the City and, together any Additional Bonds (as defined in the Ordinance), 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 OWNER 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 Bonds 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 Bonds 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 any Additional Bonds 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 herein above 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 Owner 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 Owners; (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 Registration Books 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 Owner hereof, or his duly authorized agent. When a transfer on the Registration Books 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 Owner whose name appears on the Registration Books (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 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.

(signature)
City Secretary

(signature)
Mayor

(SEAL)

(b) [Form of Paying Agent/Registrar's Authentication Certificate]

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series that originally was

approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____.

_____,
Paying Agent/Registrar

By: _____
Authorized Representative

(c) [Form of Assignment]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or Taxpayer Identification Number of Transferee:

Please print or typewrite name and address, including zip code of Transferee:

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(d) [Form of Registration Certificate of the Comptroller of Public Accounts]

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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 that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(e) [Initial Bond Insertions]

(i) The initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. ____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF GARLAND, TEXAS, in Dallas, Collin and Rockwall Counties, Texas (the "City"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Owner specified above, or registered assigns (hereinafter called the "Owner"), on _____ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Maturity Dates</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(Information for the Current Interest Bonds from Pricing Certificate to be inserted)

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Initial Delivery shown above, at the respective Interest Rate per annum specified above. Interest is payable on _____, and on each _____ and _____ thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being

exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

SECTION 10. DEFINITIONS. In addition to such other terms defined elsewhere in this Ordinance, 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 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 Previously Issued 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 "Bond Date" shall mean the dated date for a series of Bonds as set forth in a Pricing Certificate.

(d) The term "Bond Insurer" shall mean a company licensed to issue policies of municipal bond insurance in the State.

(e) The term "Bonds" shall mean, collectively, the bonds of all series of Bonds authorized, issued and delivered pursuant to this Ordinance.

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

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

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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".

(n) Subject to any limitation that may be provided in a Pricing Certificate, 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.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(s) 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 30 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.

(t) 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.

(u) The term "Paying Agent/Registrar" shall mean the person or entity designated as such pursuant to Section 5(a) of this Ordinance.

(v) The term "Previously Issued Bonds" shall mean (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, (viii) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2020, dated June 1, 2020 and (ix) City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, New Series 2021, dated January 15, 2021.

(w) The term "Prior Lien Bonds" shall mean "City of Garland, Texas, Electric Utility System Revenue Refunding Bonds, Series 2013" dated May 1, 2013.

(x) The term "State" shall mean the State of Texas.

(y) 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.

(z) The term "System" shall mean the City's Electric Utility System, including all present and future extensions, additions, replacements and improvements thereto.

(aa) 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.

(bb) 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 Owners 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 Owners 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 Owners 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 amount to be accumulated and maintained in such Fund (the "Required Reserve Amount") 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 subparagraphs (1) through (5) 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 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, 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;

(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 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, 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 Owner or Owners 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, 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 Refunded Obligations (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 Owners 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 BONDS. 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. DEFEASANCE OF BONDS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Government Obligations that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the revenues herein pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Government Obligations, and thereafter the City will have no further responsibility with respect to amounts available to the Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bonds, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by applicable law) to receive payment when due on the Government Obligations. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection 30(a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from such Government Obligations received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Government Obligations are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Government Obligations or the substitution of other Government Obligations upon the satisfaction of the requirements specified in subsection 30(a)(i) or (ii). All income from such Government Obligations received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which

such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

SECTION 31. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Owner 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 36 hereof. The City, may, without the consent of or notice to any Owners of Bonds, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners 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 Owners 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 Owners 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 32. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.
(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the Owner applying for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Chapter 1201, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 5(b) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 33. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION AND ENGAGEMENT; ATTORNEY GENERAL FILING FEE; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED. (a) The Mayor of the City is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State, and their registration by the Comptroller of Public Accounts of the State. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the initial purchaser to accept delivery of the Bonds is subject to the initial purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the City, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the initial purchaser. The engagement of such firm as bond counsel to the City in connection with issuance, sale and delivery of the Bonds is hereby approved

and confirmed, and the execution and delivery of an engagement letter between the City and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor (or in the absence of the Mayor, the Mayor Pro-tem) of the City and an Authorized Officer (as hereinafter defined) is hereby authorized to execute such engagement letter.

(c) In accordance with the provisions of Section 1202.004, Tex. Gov't Code Ann., in connection with the submission of the Bonds by the Attorney General of Texas for review and approval, a statutory fee (an amount equal to 0.1% principal amount of each series of Bonds, subject to a minimum of \$750 and a maximum of \$9,500) is required to be paid to the Attorney General upon the submission of the transcript of proceedings for the Bonds. The City hereby authorizes and directs that a check in the amount of the Attorney General filing fee for each series of Bonds, made payable to the "Texas Attorney General," be promptly furnished to the City's Bond Counsel, for payment to the Attorney General in connection with his review of the Bonds.

SECTION 34. COVENANTS REGARDING TAX EXEMPTION. With respect to Bonds that are issued as tax-exempt obligations (as specified in the Pricing Certificate pertaining thereto), the City covenants to refrain from taking any action which would adversely affect, and to take any required action to ensure, the treatment of such as obligations described in Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in Section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance, or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of Section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of Section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of Section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of Section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of Section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(1) proceeds of the Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(g) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(h) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(i) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

For the purposes of the foregoing (a) and (b), the City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional

requirements which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor (or in the absence of the Mayor, the Mayor Pro-tem), the City Manager or the Finance Director of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

In order to facilitate compliance with the above covenant (i), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with Section 148 of the Code.

SECTION 35. DISPOSITION OF REFINANCED FACILITIES. The City covenants that the property financed with the proceeds of the Refunded Obligations will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION 36. COMPLIANCE WITH RULE 15c2-12.

(a) If the Bonds are sold by public offering, and are subject to the Rule (as defined below), the following provisions shall apply:

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

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) 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.

(ii) Annual Reports. (A) The City shall provide annually to the MSRB, in the electronic format prescribed by the MSRB, financial information and operating data (the "Annual Operating Report") with respect to the City of the general type included in the final Official Statement authorized by this Ordinance, being the information described in the Pricing Certificate. The City will additionally provide financial statements of the City (the "Financial Statements"), that will be (i) prepared in accordance with the accounting principles described in the Pricing Certificate or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation and shall be in substantially the form included in the final Official Statement and (ii) audited, if the City commissions an audit of such Financial Statements and the audit is completed within the period during which they must be provided. The City will update and provide the Annual Operating Report within six months after the end of each fiscal year and the Financial Statements within 12 months of the end of each fiscal year, in each case beginning with the fiscal year ending in and after 2021. The City may provide the Financial Statements earlier, including at the time it provides its Annual Operating Report, but if the audit of such Financial Statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited Financial Statements within such 12-month period and audited Financial Statements for the applicable fiscal year, when and if the audit report on such Financial Statements becomes available.

(B) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any documents available to the public on the MSRB's internet website or filed with the SEC.

(iii) Event Notices. The City shall notify the MSRB, in a timely manner not in excess of ten Business Days after the occurrence of the event, of any of the following events with respect to the Bonds:

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;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such 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 Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, 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 (ii) of this Section by the time required by subsection (ii).

(iv) Limitations, Disclaimers, and Amendments. (A) 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 notice of any deposit made in accordance with this Ordinance or applicable law that causes the Bonds no longer to be outstanding.

(B) The provisions of this Section are for the sole benefit of the Owners 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.

(C) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE OWNER 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 ISSUER, 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.

(D) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under the 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.

(E) 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 since such offering as well as such changed circumstances and (2) either (a) the Owners of a majority in aggregate principal amount (or any greater amount required by any other 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) determined that such amendment will not materially impair the interest of the Owners and beneficial owners of the Bonds. 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 reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(b) If the Bonds are sold by private placement, the Pricing Officer may agree to provide for an undertaking in accordance with the Rule or may agree to provide other public information to the purchaser as may be necessary for the sale of the Bonds on the most favorable terms to the City.

SECTION 37. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT; FURTHER PROCEDURES.

(a) The Bonds shall be sold and delivered subject to the provisions of Section 1 and Section 4 and pursuant to the terms and provisions of a bond purchase agreement, notice of sale and bidding instructions or private placement agreement (collectively, the "Purchase Agreement") which the Pricing Officer is hereby authorized to execute and deliver and in which the purchaser or purchasers (collectively, the "Purchaser") of the Bonds shall be designated. The Bonds shall initially be registered in the name of the purchaser thereof as set forth in the Pricing Certificate.

(b) The Pricing Officer is hereby authorized, in the name and on behalf of the City, to approve, distribute, and deliver a preliminary official statement and a final official statement relating to the Bonds to be used by the Purchaser in the marketing of the Bonds.

(d) The Mayor and Mayor Pro Tem, the City Manager, the City Secretary and the Finance Director of the City (each, an "Authorized Officer") shall be and they 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 under the corporate seal and on behalf of the City a Paying Agent/Registrar Agreement with the Paying Agent/Registrar, a commitment for municipal bond insurance, if the Bonds shall be so insured, and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Pricing Certificate, the Bonds, the sale of the Bonds and the Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 38. APPROVAL OF ESCROW AGREEMENT AND TRANSFER OF FUNDS. In furtherance of authority granted by Section 1207.007(b), Texas Government Code, and in accordance with Section 4(d) of this Ordinance, an Authorized Officer is further authorized to enter into and execute on behalf of the City with the escrow agent named therein, an escrow or similar agreement, which agreement will provide for the payment in full of the Refunded Obligations. In addition, an Authorized Officer is authorized to purchase such securities, to execute such subscriptions for the purchase of the Escrowed Securities (as defined in the agreement), if any, and to authorize such contributions for the escrow fund as provided in the agreement.

SECTION 39. REDEMPTION OF REFUNDED OBLIGATIONS.

(a) Subject to execution and delivery of the Purchase Agreement with the Purchaser, the City hereby directs that the Refunded Obligations be called for redemption or otherwise retired on the dates and at the prices set forth in the Pricing Certificate.

(b) The paying agent/registrars for the Refunded Obligations are hereby directed to provide the appropriate notice of redemption as required by the Refunded Obligations (if applicable) and is hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed or otherwise retired on the appropriate redemption date.

(c) If the redemption of the Refunded Obligations results in the partial refunding of any maturity of the Refunded Obligations, the Pricing Officer shall direct the paying agent/registrar for the Refunded Obligations to designate at random and by lot which of the Refunded Obligations will be payable from and secured solely from the Net Revenues of the System pledged pursuant to the ordinance of the City authorizing the issuance of such Refunded Obligations (the "Refunded Bond Ordinance"). For purposes of such determination and designation, all Refunded Obligations registered in denominations greater than \$5,000 shall be considered to be registered in separate \$5,000 denominations. The paying agent/registrar shall notify by first-class mail all Owners of all affected bonds of such maturities that: (i) a portion of such bonds have been refunded and are secured until final maturity solely with cash and investments maintained by the Escrow Agent in the Escrow Fund, (ii) the principal amount of all affected bonds of such maturities registered in the name of such Owner that have been refunded and are payable solely from cash and investments in the Escrow Fund and the remaining principal amount of all affected bonds of such maturities registered in the name of such Owner, if any, have not been refunded and are payable and secured solely from the Net Revenues of the System described in the Refunded Obligation Ordinance, (iii) the Owner is required to submit his or her Refunded Obligations to the paying agent/registrar, for the purposes of re-registering such Owner's bonds and assigning new CUSIP numbers in order to distinguish the source of payment for the principal and interest on such bonds, and (iv) payment of principal of and interest on such bonds may, in some circumstances, be delayed until such bonds have been re-registered and new CUSIP numbers have been assigned as required by (iii) above.

(d) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement approved in Section 4(d) of this Ordinance, or from amounts deposited with the paying agent/registrar for the Refunded Obligations from proceeds of the Bonds, if there is no Escrow Agreement.

SECTION 40. 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 Owners, 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 Owners.

SECTION 41. GOVERNING LAW. This Ordinance shall be construed and enforced in accordance with the laws of the State and the United States of America.

SECTION 42. EFFECT OF HEADINGS. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 43. 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 44. PUBLIC NOTICE. It is hereby officially found and determined that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

SECTION 45. EFFECTIVE DATE. In accordance with the provisions of V.T.C.A., Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.



GARLAND POLICY REPORT

City Council Work Session Agenda

3. d.

Meeting Date: May 3, 2021

Item Title: Oncor Rate Case Denial

Submitted By: Matt Watson, Finance Director

Strategic Focus Areas: Sound Governance and Finances

ISSUE

Council is requested to consider a resolution denying the Distribution Cost Recover Factor application proposed by Oncor Electric Delivery Company LLC ("Oncor" or "Company").

OPTIONS

1. Approve the resolution denying the rate application proposed by Oncor.
2. Do not approve the resolution denying the rate application proposed by Oncor.

RECOMMENDATION

This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

BACKGROUND

The purpose of this Resolution is to deny the Distribution Cost Recovery Factor application filed by Oncor on April 8, 2021 which seeks to increase distribution rates by approximately \$97.8 million annually. It is standard practice to pass a Resolution as the first step in a process to review Oncor's application and attempt to negotiate with Oncor regarding this proposed increase. The Council approved a similar Resolution on May 19, 2020 in response to an application for a rate increase made by Oncor.

The Oncor Cities Steering Committee (OCSC) consists of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area. The OCSC will engage with consultants and legal council on behalf of the member cities to resolve issues with Oncor's filing.

Attachments

Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF GARLAND FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY, LLC'S APPLICATION FOR APPROVAL OF A DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; AND SETTING AN EFFECTIVE DATE.

WHEREAS, the City of Garland, Texas ("COG") is an electric utility customer of Oncor Electric Delivery Company, LLC ("Oncor"), and a regulatory authority with an interest in the rates and charges of Oncor;

WHEREAS, COG is a member of the Steering Committee of Cities Served by Oncor ("OCSC"), a membership of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area;

WHEREAS, on or about April 8, 2021 Oncor filed with the COG an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket Number 51996, seeking to increase electrical distribution rates by approximately \$97,826,277;

WHEREAS, all electric utility customers residing in the COG will be impacted by this ratemaking proceeding if it is granted;

WHEREAS, members of OCSC are coordinating a review of Oncor's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application;

WHEREAS, OCSC's members and attorneys recommend that members deny the DCRF;

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

Section 1

That the City of Garland is authorized to participate with OCSC in PUC Docket Number 51996;

Section 2

That subject to the right to terminate employment at any time, the City of Garland hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with Oncor, make recommendations to the COG regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3

That the rates proposed by Oncor to be recovered through its DCRF charged to customers located within the city limits of the COG are hereby found to be unreasonable and shall be denied.

Section 4

That Oncor shall continue to charge its existing rates to customers within the city limits of the COG.

Section 5

That the COG's reasonable rate case expense shall be reimbursed in full by Oncor within thirty (30) days of presentation of an invoice to Oncor;

Section 6

That the COG hereby officially finds and determines that the meeting at which this Resolution is passed was open to the public as required by law, and that the COG gave public notice of the time, place, and purpose of said meeting as required by law.

Section 7

That, upon passage by the COG, a copy of this Resolution shall be sent to J. Michael Sherburne, Vice President - Regulatory, Oncor Electric Delivery Company, L.L.C., 1616 Woodall Rodgers Freeway, Dallas, Texas 75202; to Tab R. Urbantke, Hunton Andrews Kurth LLP, 1445 Ross Avenue, Suite 3700, Dallas, Texas 75202; Thomas Brocato, General Counsel to the OCSC's member cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

Section 8

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

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

CITY OF GARLAND, TEXAS

Scott LeMay
Mayor

ATTEST:

City Secretary



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

4. a.

Meeting Date: May 3, 2021

Item Title: COVID-19 Response Update and Further Actions

Summary of Request/Problem

Staff will provide an update to Council and ask for Council direction, if needed, on various matters related to COVID-19 and actions being taken by the City.

Recommendation/Action Requested and Justification

Council discussion.



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

4. b.

Meeting Date: May 3, 2021

Item Title: Street Department Program Update

Submitted By: Steve Oliver, Streets Director

Summary of Request/Problem

The Director of Streets will provide an update to the City Council on the status of the department's maintenance and construction programs.

Recommendation/Action Requested and Justification

None - for informational purposes only.

Attachments

Street Department Update



Street Department

Council Update

May 3, 2021

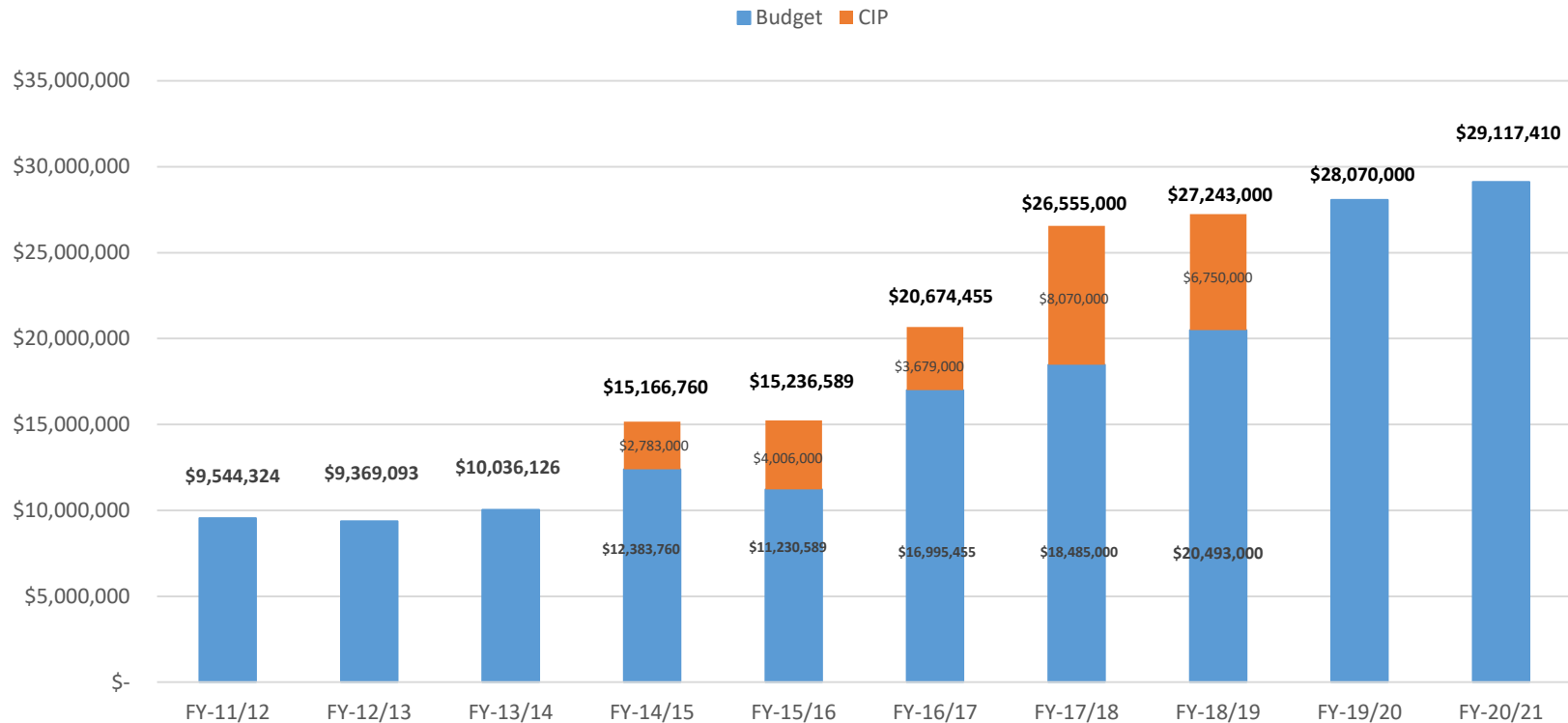


GARLAND

Street Department

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Increased Funding By Budget Year



GARLAND

Street Department



Street Department Communications Update

- Working with Public & Media Relations to develop several Public Service Announcements
 - Street Talk – Monthly publication
 - Construction Updates
 - The hunt for the orange traffic cones
 - Potholes 101
 - Explaining the PCI
 - Concrete Crushing Operations
 - Winter Weather Plan
 - Street Department webpage link: Street.GarlandTx.gov
 - What to expect when my alley is reconstructed
 - What to expect when my street is overlaid
 - Working with other public works departments to include their projects in Street Talk, Briefs and other social media
- Upcoming Videos
 - What to expect when my street is reconstructed
 - Street social media video series (30 second to 1 minute clips)
 - Who to contact – campaign that helps citizens know who to contact regarding issues they may encounter



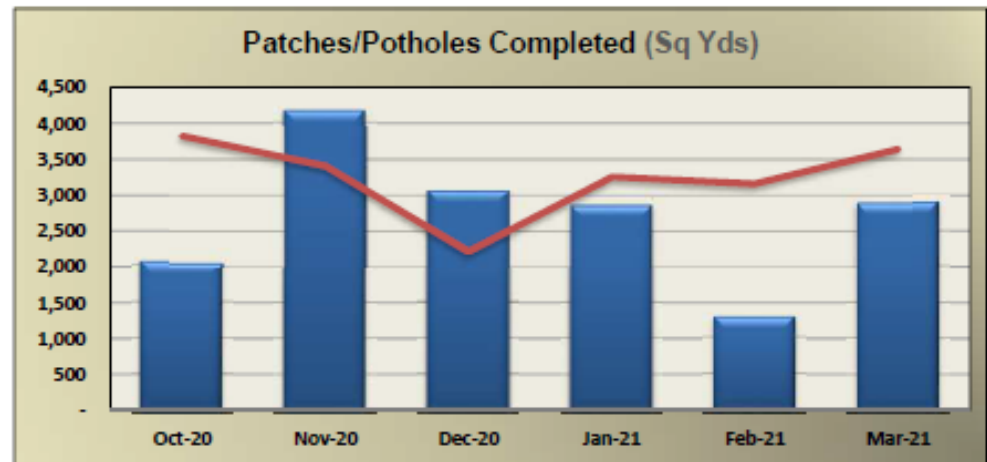
GARLAND

Street Department

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Street Maintenance Asphalt Patching Update

Patches/Potholes Completed		
	Square Yards	% Chg.
YTD thru 3/21	16,377	
YTD thru 3/20	19,490	
Increase (Decr.)	(3,113)	-16%
FY19 Monthly Accomplishments FY20 Monthly Accomplishments		

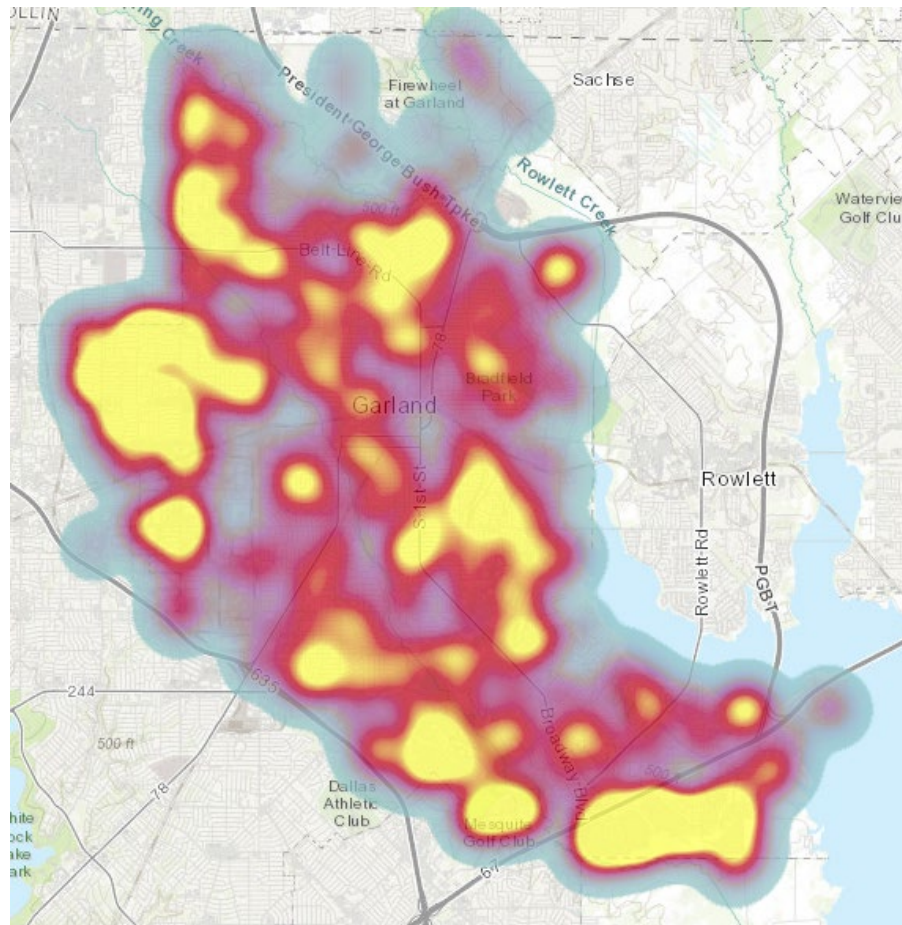


Street crews have completed 16% fewer potholes and patches than this time last year, due to a continued reduction of requests for service. We are currently receiving 33% fewer patch requests for the same time period. This can be attributed to the increased focus on major patching, overlays and concrete repairs.

Street Department

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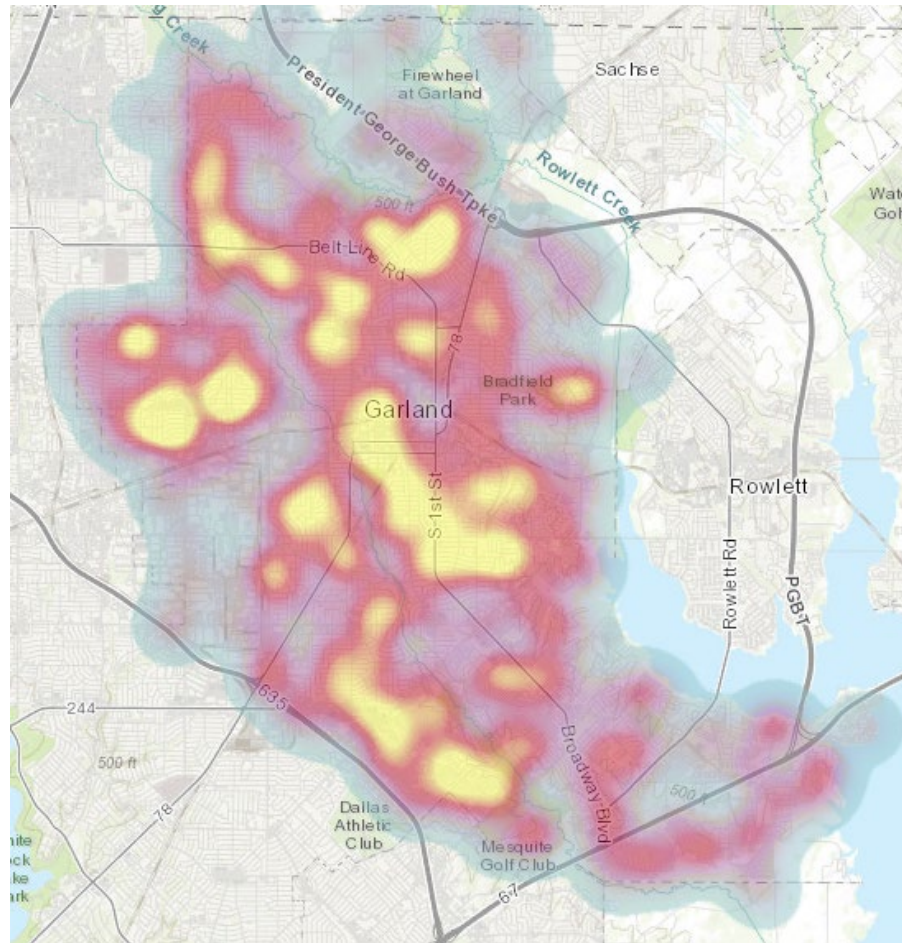
Street Patching



Street Department

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Pothole Repair

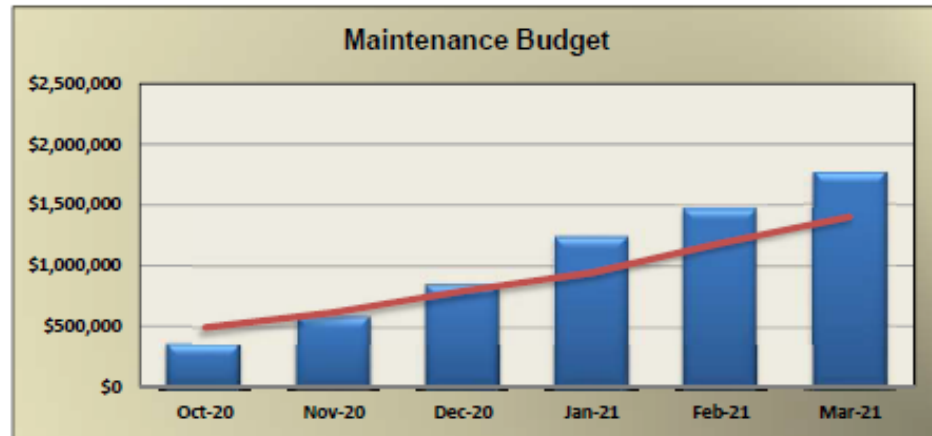


Street Department

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Maintenance Dashboards

Maintenance Budget		
	YTD	% Chg.
YTD thru 3/21	1,400,740	
YTD Budget Target	1,765,200	
Increase (Decr.)	(364,460)	-21%
 YTD thru 3/21		
 YTD Budget Target		



Maintenance Activities

- Pothole Repair
- Major Patching
- Skin Patching
- Asphalt Overlays
- Asphalt Micro-Surfacing
- Asphalt Rejuvenation
- Crack Sealing
- Level Lifting
- Pavement Grinding
- Unpaved Alley Grading
- Tree Removal
- Severe Weather Response



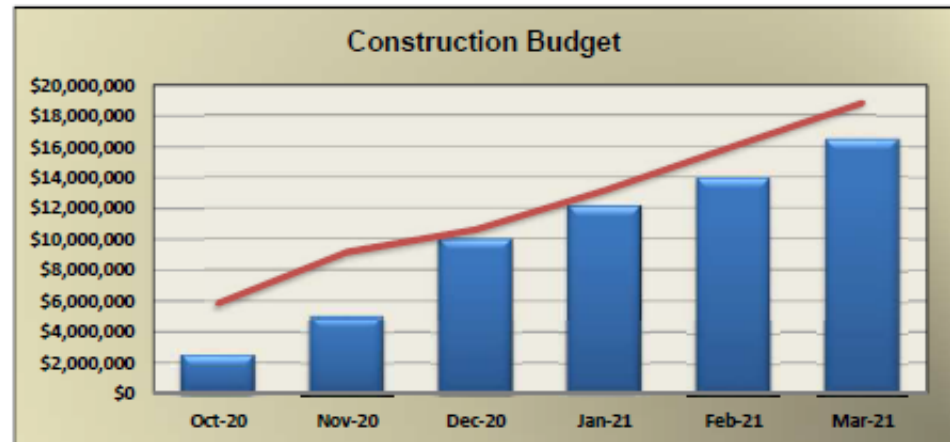
GARLAND

Street Department

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Construction Dashboards

Construction Budget		
	YTD	% Chg.
YTD thru 3/21	18,847,241	
YTD Budget Target	16,461,831	
Increase (Decr.)	2,385,410	14%
 YTD thru 3/21		
 YTD Budget Target		
Excludes CIP and CDBG Funding		



Construction Activities

- Street Reconstruction
- Street Concrete Slab Repair
- Alley Reconstruction
- Alley Concrete Slab Repair
- Level Lifting

Street Department



5 Year Program Statistics FY 16/17 – FY 20/21

- Lane miles of street repair and reconstruction accomplished since October 1, 2016
 - 225.12 – Lane Miles = 9.5% of 2358.34 Lane Miles
- Lane miles of alley repair and reconstruction accomplished since October 1, 2016
 - 22.45 – Lane Miles = 6.8% of 328.86 Lane Miles
- Lane miles of asphalt overlay accomplished since October 1, 2016
 - 152.20 – = 6.5% of 2358.34 Lane Miles
- **TOTAL = 399.77 Lane Miles Completed or 14.9% of the Total Street and Alley Network**
- Estimates for next quarter
 - Streets – 26.01 LM
 - Alleys – 0.44 LM
 - Overlays – 7.5 LM



GARLAND

Street Department



2021 Construction Program

- Street Department implemented Cartegraph work management system in July 2018, which includes new pavement management system.
- Added a fourth year to our current 3-year construction program using existing data.
- All streets and alleys have been inspected. We are finalizing the 2021-2025 program using the new Cartegraph inspection data. We will forward to other departments for review in May and should present to Council in July.
- Scenario Builder will allow more accurate projections in the future.
- Completed a major asphalt rehabilitation on route to Hinton Landfill in Sachse (Pleasant Valley Road and Elm Grove Road). Dallas County funding 50% of project costs - 2020.
- Miscellaneous Concrete Repair Project – “Last Mile” project is under construction.
- Street Department began the transition to administer residential sidewalk replacement cost share program and arterial/collector sidewalk replacement program on October 1, 2020.

Street Department



Sidewalk Replacement Program

- The initial plan was for the street department to begin administering sidewalk replacement cost share program on October 1, 2020; with the program to be fully transitioned to the department by January 1, 2021. We are currently running 6 months behind schedule.
 - Requested additional Public Works Construction Inspector II and Department Representative II in FY21 budget to assist with program. These two positions will assist the Construction Manager, Pavement Supervisor and Pavement Inspection Technician in administering this program. Both positions have been filled and are currently learning the new duties.
 - Still working with Finance & Engineering to manage the financial aspect of the program.
 - Will evaluate all requests for eligibility for additional discounts established in recently revised sidewalk ordinance.
- Developing separate contract for sidewalk and curb replacement. Contract should go out for bid in June 2021. Sidewalk repairs needing immediate attention can be completed through the Engineering Department's contract.
- Have begun to evaluate all arterial, industrial and collector street sidewalks to determine system-wide replacement needs. Will use this evaluation to develop a priority listing for sidewalk replacement needs. With over 400 miles of sidewalks on these streets, it will take more than a year to complete this evaluation.
- Engineering Department, in conjunction with Transportation, Parks and GISD, will continue to determine new sidewalk construction needs and will administer those construction projects.



GARLAND

Street Department



Unpaved Alley Paving Program

- 986 Unpaved Alley Segments – 94.39 miles
- \$3.5 million approved in 2019 Bond Election. Funding spread over seven (7) years @ \$350,000/year. Funding will allow paving of approximately 22,000 l.f. (4.1 miles) of alleys.
- Focus on paving of alleys with multiple grading requests. Since 10/1/14 – 138 segments with 3+ requests, 43 with 2 requests, 89 with 1 request. Nearly all of these unpaved alleys have sanitary sewer mains, so we'll have to coordinate with the water department to determine replacement needs.
- Coordinating with Water Department to pave various unpaved alleys where sanitary sewer mains are being replaced. Currently three locations have been identified.
 - Celeste/Vista from Dairy to Cumberland
 - Cliff/Rita from Frances to Walnut
 - Lewis/Randolph from Lamesa to Saturn
- Pavement will be placed in alleys to address known drainage/standing water problems. Not all projects will pave the entire length of an unimproved alley.



GARLAND

Street Department



2019-2020 Project List

Completed Projects for 2019-2020 Alley Reconstruction

Council District	Address Name	From	To	Status
8	Bancroft/Stillmeadow	Bancroft	Dukeswood	Completed
5	Blossom (N)/Sheridan (E)	Blossom	Kingsley	Completed
3	Briar Hollow/Stony Brook	Briar Hollow	Hampden Alley	Completed
5	Briar Way/Ravencroft	Broadmoor	Northwest	Completed
8	Brookcrest/Forest Park	Brand	Century Park	Completed
8	Brookcrest/Forest Park	Brand	West Park	Completed
8	Brookcrest/Green Oaks	Brand	Century Park	Completed
8	Brookcrest/Green Oaks	Brand	West Park	Completed
3	Burdock/Elderberry	Zion	Burdock	Completed
1	Carriagehouse/Holland	Mars	Wilmington	Completed
1	Carriagehouse/Holland	Mars	Wilmington	Completed
7	Churchill /Strother	Callejo	Ivanridge	Completed
7	Churchill /Strother	Callejo	Ivanridge	Completed
3	Columbine/Mayapple	Country Club	Rosehill	Completed
3	Country Club	Goldenrod	Columbine/Mayapple Alley	Completed
2	Country Valley/Club Meadow	Club Meadow	Lance	Completed
2	Country Valley/Club Meadow	Scott	Country Club Pkwy	Completed
8	Dukewood (S)	Bancroft/Stillmeadow	Limestone Alley	Completed
8	Dukewood (S)	Bancroft/Stillmeadow	Idlewood	Completed
3	Greenbrook/Peninsula	Peninsula Way	Greenbrook	Completed
4	Hidalgo Ct./O'Banion	LaPrada (W)	Hidalgo Ct.	Completed
8	Kingswood/Queenswood	Bellwood/Kingsbridge	Ridgegate	Completed
4	LaPrada (W)/Hidalgo Ct.	Hidalgo Ct. Alley	O'Banion Alley	Completed
8	Limestone/Red Brook	Bancroft	Stillmeadow	Completed
4	Mayflower	Gatewood	Wynn-Joyce	Completed
4	Mayflower	Apache	Wynn-Joyce	Completed
1	Meandering Way/Wilmington	Holland	Pyramid	Completed
4	Oates/Waikiki	Avalon	Miami	Completed
4	Oates/Waikiki	Rosehill	Avalon	Completed
8	Redbrook/Stillmeadow	Bancroft	Stillmeadow	Completed
4	San Carlos/San Clemente	Perdido Alley	Sevilla	Completed
8	Stillmeadow/Bancroft	Bancroft	Dukewood/Stillmeadow	Completed



GARLAND

Street Department

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2019-2020 Project List (Cont.)

Completed Projects for 2019-2020 Alley Repair

Council District	Address Name	From	To	Status
4	Azalea	Duck Creek	University Alley	Completed
4	Azalea/Waits	Duck Creek	Azalea	Completed
3	Bachman/Roan Cr.	Roan	White Rock Alley	Completed
8	Burgandy/Chablis	Camilla	Stadium	Completed
8	Camilla/First	Glenbrook	Stadium	Completed
8	Faircrest (406)	Apollo	Willowcrest	Completed
7	Galaxie/Castle Rock	Ivanridge	Longbow	Completed
1	Meandering Way	Riviera	Paris	Completed
8	Melissa/Pyramid	Mars	Treece	Completed
7	Picadilly/Castle Rock	Round Rock	Galaxie	Completed
1	Riviera/Paris	Meandering Way	Riviera	Completed
1	Roman Way/Riviera	Meandering Way	Riviera/Roman	Completed
3	Whiterock/Roan Circle	Roan	Bachman	Completed

Completed Projects for 2019-2020 Street Reconstruction

Council District	Address Name	From	To	Status
3	Blue Creek	Ridgecove	End	Completed
1	Bosque	Bringle	Rivercrest	Completed
3	Chicosa	Iroquois	Wynn-Joyce	Completed
3	Club Creek Blvd.	Club Creek	Windridge	Completed
3	Emberwood	Heatherbrook	Field Knoll	Completed
3	Freeport	Gulfport	Zion	Completed
8	Goliad	Sam Houston	Old Mill Run	Completed
4	Jamestown	Commwealth	Williamsburg	Completed
2	Linda	Dairy	High Star	Completed
4	Maple Glen	Boca Raton	Tacoma	Completed
3	Martindale	Ridgecove	Kerry	Completed
5	Mayfield	Saturn	Clearpoint	Completed
1	Meadow Green	Talley	O'Shannon	Completed
7	North	Richoak	End	Completed
3	Shari	Club Creek	Luther	Completed
4	Syracuse	Vanderbilt	End	Completed
3	Toler Trl.	Luther	Country Club	Completed

Water/Street Rehabilitation

Council District	Address Name	From	To	Status
3,4	Broadway	Merrimac	Wynn-Joyce	Completed
3	Roan	Rowlett	Waterhouse	Completed



GARLAND

Street Department

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2019-2020 Project List (Cont.)

Completed Projects for 2019-2020 Arterial / Collector / Industrial / Residential Street Rehabilitation

Council District	Address Name	From	To	Status
7	Arapaho	Garland	Jupiter	Completed
3	Bayview	Rowlett	Geary	Completed
3	Berkeley Ct.	Knob Hill	End	Completed
3	Bluewood	Redpine	Silktree	Completed
3	Bluffview	Northridge	Wynn-Joyce	Completed
3	Buena Vista	David	Van Ness	Completed
3	Chads Creek Cir.	Club Creek	End	Completed
3	Chicosa	Stony Brook	Iroquois	Completed
3	Chinaberry	Lyons	Silverleaf	Completed
3	Club Creek Blvd.	Club Creek	Windridge	Completed
3	David	Knob Hill	Buena Vista	Completed
3	Deep Canyon	Greenbrook	Peninsula	Completed
2,5	First	Ave D	Casalita	Completed
2	First	Casalita	Southwood	Completed
5	First	Miller	Broadway	Completed
5	First	Broadway	Kingsley	Completed
5	First	Kingsley	Centerville	Completed
2,6,8	Forest Lane	Garland	City Limits	Completed
3	Geary	Lombard	End	Completed
3	Guthrie	Rosehill	Lyons	Completed
3	Hightrail	Northridge	Wynn Joyce	Completed
3	Knob Hill	Buena Vista	End	Completed
3	Lombard	Knob Hill	Geary	Completed
6	McCallum	O'Henry	Potomac	Completed
3	Morning Star	Northridge	Wynn Joyce	Completed
3	Mulberry	Blue Oak	Redpine	Completed
7	North Garland	Beltline	Arapaho	Completed
4	O'Banion	LaPrada	Grinnell	Completed
3	Portola	Buena Vista	Knob Hill	Completed
3	Redpine	Bluewood	Silverdale	Completed
3	Rosehill	Guthrie	Interstate 30	Completed
4	San Clemente	513 Clemente	Perdido	Completed
3	Silktree	Silverdale	Bluewood	Completed

Street Department



2019-2020 Project List (Cont.)

Completed Projects for 2019-2020 Arterial / Collector / Industrial / Residential Street Rehabilitation (Cont.)

Council District	Address Name	From	To	Status
3	Beaus Way	Waterway	Lakebrook	Completed
3	Bobtown	Lyons	High Drive	Completed
8	El Dorado	Sam Houston	Buckingham	Completed
3	Lake Front	Blue Heron	Edgewater	Completed
3	Lakebrook	Beaus Way	Westlake	Completed
3	Lakeway	Bobtown	Beaus	Completed
3	Oaks Trail	Lyons	I-30	Completed
8	Old Mill Run	Buckingham	Travis	Completed
8	Santa Anna	Sam Houston	Travis	Completed
3	Southern	Centerville	Stonewall	Completed
1	Sunningdale	W. Muirfield	Royal Birkdale	Completed
3	Sunrise	Northridge	Wynn Joyce	Completed
3	Tiffany Ct.	Club Creek	End	Completed
8	Travis	Sam Houston	Larchfield	Completed
3	Valarie Ct.	Club Creek	End	Completed
3	Van Ness	Rowlett	Buena Vista	Completed
3	Waterway	Beaus Way	Westlake	Completed
3	Westlake	Waterway	Bobtown	Completed
3	Windridge	Wynn Joyce	Club Creek	Completed



Street Department



2019-2020 Project List (Cont.)

Completed Projects for 2019-2020 Asphalt Overlay

Council District	Address Name	From	To	Status
2	Beverly	Dairy	Country Club	Completed
1	Castle	Centerville	Country Club	Completed
8	Crockett	Sam Houston	Old Mill Run	Completed
8	Crockett	Sam Houston	Garland	Completed
2	Dove	High Meadow	Quail	Completed
2	Gateway	Miller	Mesa	Completed
5	Glendale	Skillman	Skillman	Completed
5	Harvard	Ridgedale	First	Completed
2	High Bluff	Miller	High Country	Completed
2	High Country	Highwood	Highmont	Completed
2	High Country	Highwood	Country Club	Completed
2	High Hill	High Summit	End	Completed
2	High Meadow	Dairy	Country Club	Completed
2	High Mesa	Highdale	High Hollow	Completed
2	High Star	High Grove	High Mesa	Completed
2	High Summit	High Hill	High Country	Completed
2	High Valley	Highmont	Country Club	Completed
2	Highdale	High Grove	High Mesa	Completed
2	Highmont	High Hill	High Mesa	Completed
2	Highwood	Miller	High Country	Completed
5	Lakemere	Ridgecrest	Patricia	Completed
3	Lakeview	Royalcrest	End	Completed
8	Larchfield	Crockett	Meadowcrest	Completed
2	Lore	Novel	Miller	Completed
2	Lyric	High Meadow	Gateway	Completed
3	Marina Apts	Marina	Marina	Completed
8	Meadowcrest	Larchfield	Brookside	Completed
3	Meadowview Cir.	Meadowview	End	Completed
3	Meadowview Ct.	Meadowview	End	Completed
5	Medina	Kingsley	Rio Grande	Completed
8	Melrose	Sam Houston	Old Mill Run	Completed
2	Mill Branch	High Meadow	Bard	Completed
8	Mission	Old Mill Run	Sam Houston	Completed
5	Newcastle	Sussex	English	Completed
2	Novel	Gateway	Quail	Completed



GARLAND

Street Department



2019-2020 Project List (Cont.)

Completed Projects for 2019-2020 Asphalt Overlay (Cont.)

Council District	Address Name	From	To	Status
8	Old Mill Run	Crockett	Travis	Completed
5	Parkcrest	Patricia	Livinshire	Completed
2	Parkhurst	Miller	Beverly	Completed
5	Patricia	Miller	Stonehenge	Completed
5	Prescott	Rio Grande	Kingsley	Completed
2	Quail	Country Club	Mill Branch	Completed
2	Quail	High Meadow	Dove	Completed
5	Ridgecrest	Miller	Lakemere	Completed
5	Rio Grande	Ridgedale	First	Completed
3	Royal Crest	Centerville	Meadowview	Completed
3	Royal Crest Cir.	Royalcrest	End	Completed
8	San Antonio	Sam Houston	Old Mill Run	Completed
5	Skillman	Miller	Briarwood	Completed
2	Swan	Miller	Quail	Completed
3	Westshore	Centerville	Royalcrest	Completed
2	Woodcrest	Danbury	Parkhurst	Completed
2	Wycliff	Miller	High Hill	Completed



Street Department

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2020-2021 Project List

Proposed Projects for 2020-2021

Alley Reconstruction

Council District	Address Name	From	To	Status
3	Blue Creek	Ridgecove	Blue Creek	Complete
3	Blue Creek/Martindale	Kerry Alley	Ridgecove	Complete
3	Elderberry/Lemon Tree	Zion	Elderberry	Complete
3	Hayman/Hamlett	Hayman	3314 Hayman	Complete
3	Kerry	Blue Creek	Bobtown	Complete
4	LaPrada (W)/Hidalgo Ct.	Hidalgo Ct. Alley	O'Banion Alley	Complete
4	Cliffwood/Duck Creek	Wynn Joyce	Oak Tree	Future
4	Cliffwood/Redwood	Oak Tree	Wynn Joyce	Future
2	Country Valley	Scott	Country Valley	Future
8	Guildford (S)	Pembroke	Sylvan	Future
8	Lena/Rahall	Camilla	Stadium	Future
6	Lesa/Maydelle	Centennial	Western	Future
1	Meandering Way/Wilmington	Holland	Pyramid	Future
4	Oakwood (4702)	Oakwood	Oakwood/Tarry	Future
4	Oakwood/Tarry	Wynn Joyce	Oakwood	Future
8	Pembroke/Sylvan	Channel	Sylvan	Future
4	Redwood	Elmwood	Tealwood Alley(S)	Future
4	Redwood	Redwood	4701 Oakwood	Future
4	Redwood	Redwood	Redwood/Oakwood	Future
8	Rochdale/Sylvan Alley	Cardigan	Channel	Future
4	Tealwood	Redwood	Oakwood	Future
4	Tealwood	Tealwood	Elmwood	Future

Proposed Projects for 2020-2021

Street Reconstruction

Council District	Address Name	From	To	Status
5	Avon	Stratford	End of the cul-de-sac	Completed
2	Curtis	Susan	Davidson	Completed
5	Carroll	Saturn	Lamesa	Ongoing
5	Cranford	Denton	Saturn	Ongoing
5	Daugherty	Delano	First	Ongoing
2	Glenfield	Cumberland	First	Ongoing
4	Middle Glen	Avalon	Villa Ridge	Ongoing
2	Monica	Arcady	Dairy	Ongoing
2	Arcady	Linda	South End	Future
2	Celeste	Dairy	East End	Future
3	Daytona (On hold)	Tampa	Bobtown	Future
5	Devonwood	Garland	Saturn	Future
3	Field Knoll	Dove Meadow	End	Future
3	Hartford	Nickens	Thistle	Future
4	Woodmere (On hold)	Rollingridge	Heatherglen	Future



GARLAND

Street Department

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2020-2021 Project List (Cont.)

Proposed Projects for 2020-2021				
Arterial / Collector / Industrial / Residential Street Rehabilitation				
Council District	Address Name	From	To	Status
3	Baccarat	Crystal	Sasaki	Completed
3	Beaus Way	Waterway	Lakebrook	Completed
3	Bobtown	Lyons	High Drive	Completed
3	Crystal	Lyons	Sasaki	Completed
8	El Dorado	Sam Houston	Buckingham	Completed
3	Jon Boat	Hidden Creek	Crawfish	Completed
3	Lake Front	Blue Heron	Edgewater	Completed
3	Lakebrook	Beaus Way	Westlake	Completed
3	Lakeway	Bobtown	Beaus	Completed
2	Miller	Centerville	City Limits (East)	Completed
8	Monterrey	Golid	Santa Anna	Completed
3	Oaks Trail	Lyons	I-30	Completed
8	Old Mill Run	Buckingham	Travis	Completed
3	Roan	Rowlett	Waterhouse	Completed
3	Roan	Waterhouse	Bobtown	Completed
8	Sam Houston	Buckingham	Santa Anna	Completed
8	Santa Anna	Sam Houston	Travis	Completed
8	Travis	Sam Houston	Larchfield	Completed
3	Waterway	Beaus Way	Westlake	Completed
3	Westlake	Waterway	Bobtown	Completed
2	Ave H/Ninth	Glenbrook	Park Road	Ongoing
1	Briarbrook	Pleasant Valley	Valley Creek	Ongoing
5	Carroll Court	Carroll	End	Ongoing
5	Carroll Way	Carroll	End	Ongoing
1	Centerville	SH 66	Broadway	Ongoing
3	Club Meadow	Centerville	Knightsbridge	Ongoing
3	Country Club	Centerville	Club Meadow	Ongoing
3	Country Valley	Centerville	End	Ongoing
2,8	First St	Hwy 78	Buckingham	Ongoing
3	James Good	Club Meadow	Regents Park	Ongoing
2	Miller	Centerville	First	Ongoing
6	Yale	Forest Lane	Edgewood	Ongoing
2	Avenue D	Garland	Dairy	Future
5	Bonita	Axe	Kingsley	Future
3,4	Broadway	Centerville	S. City Limits	Future
5	Carroll	Glenbrook	Douglas	Future
4	Duck Creek	Centerville	Broadway	Future
8	North Garland	Avenue B	Buckingham	Future
4	Oates Rd.	Broadway Blvd.	Garland/Mesquite City Limits	Future
8	Shiloh Rd.	Buckingham Drive	W. Walnut Street	Future



GARLAND

Street Department

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2020-2021 Project List (Cont.)

Proposed Projects for 2020-2021

Arterial / Collector / Industrial / Residential Street Rehabilitation (Cont.)

Council District	Address Name	From	To	Status
5	Miller	Glenbrook	Saturn	Ongoing
5	Glenbrook	Carroll	Centerville	Future
5	Mayfield	Centerville	Saturn	Future
5	Miller	Garland	Shiloh	Future

Proposed Projects for 2020-2021

Asphalt Overlay

Council District	Address Name	From	To	Status
1	Elm Grove	Pleasant Valley	Landfill	Complete
1	Hebron	Hwy 66	Country Club	Complete
1	Pleasant Valley	Elm Grove	Merritt	Complete
6	Upland Way	Plano	Purdue	Complete
6	Westcreek	Buckingham	Timbercreek	Complete
6	Timberline	Yale	Purdue	Complete
6	Princeton	Yale	Purdue	Complete
6	Amherst	Purdue	Yale	Complete
4	Pedido	Obanion	Barcelona	Complete
4	Barcelona	Perdido	Heather Glen	Complete
6	Blue Ridge	Jupiter	Bobbie	Complete
7	Bluestrem	Embercrest	Rockcrest	Complete
7	Eastpark	Beltline	Ridgemoor	Complete
7	Janwood	Jupiter	Sprucewood	Complete
7	Latham	Apollo	Jupiter	Complete
4	Rienosa	Obanion	Heatherglen	Complete
7	Russwood	Jupiter	Elm Ridge	Complete
7	Star Trek	Moonglow	Apollo	Complete
6	Timbercreek	Buckingham	Westcreek	Complete

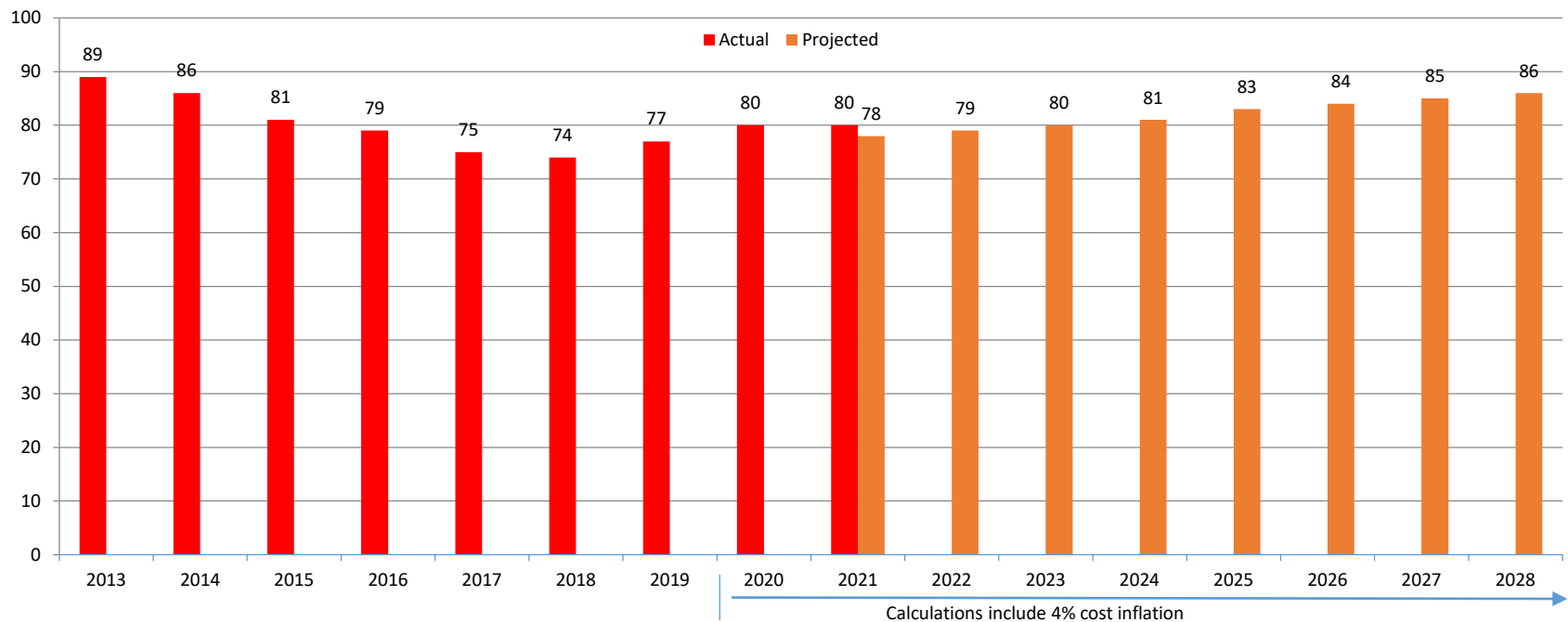


GARLAND

Street Department



Street PCI/OCI Improvement By Year

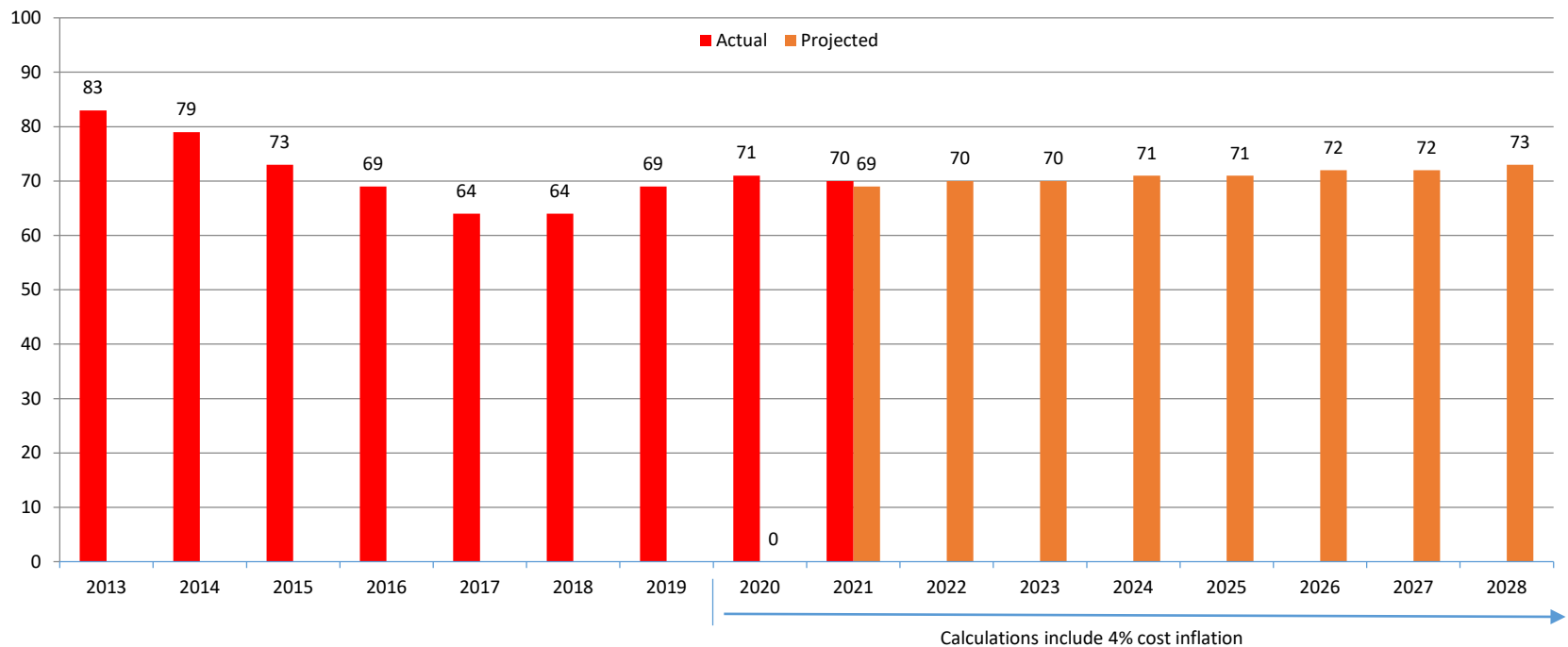


*January 17, 2017, Council Resolution establishes PCI goal of 85, while striving to reach a 90 PCI

Street Department



Alley PCI/OCI Improvement By Year

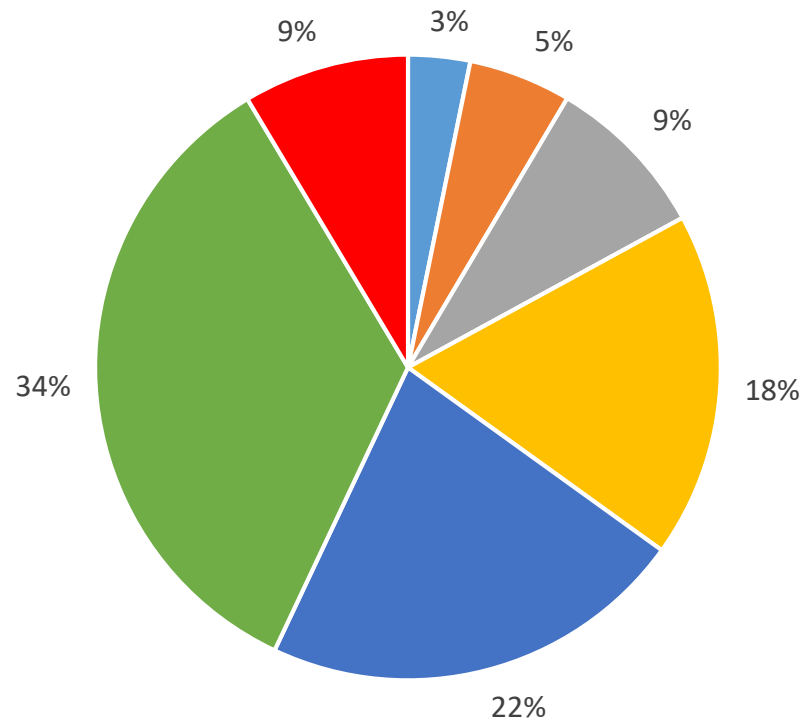


*January 17, 2017, Council Resolution establishes PCI goal of 85 while striving to reach a 90 PCI

Street Department

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Street Pavement Age



0-10 years 11-20 years 21-30 years 31-40 years
41-50 years 51-60 years 61 +

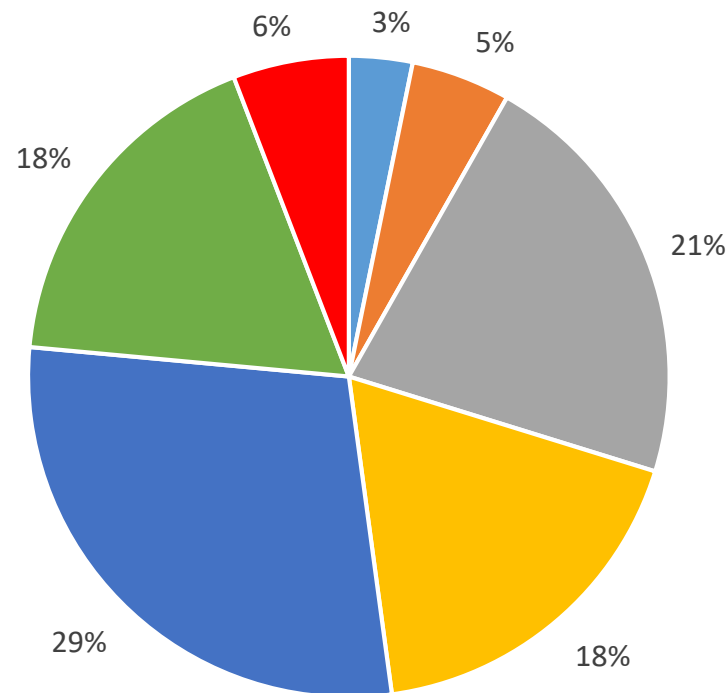


GARLAND

Street Department

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Alley Pavement Age

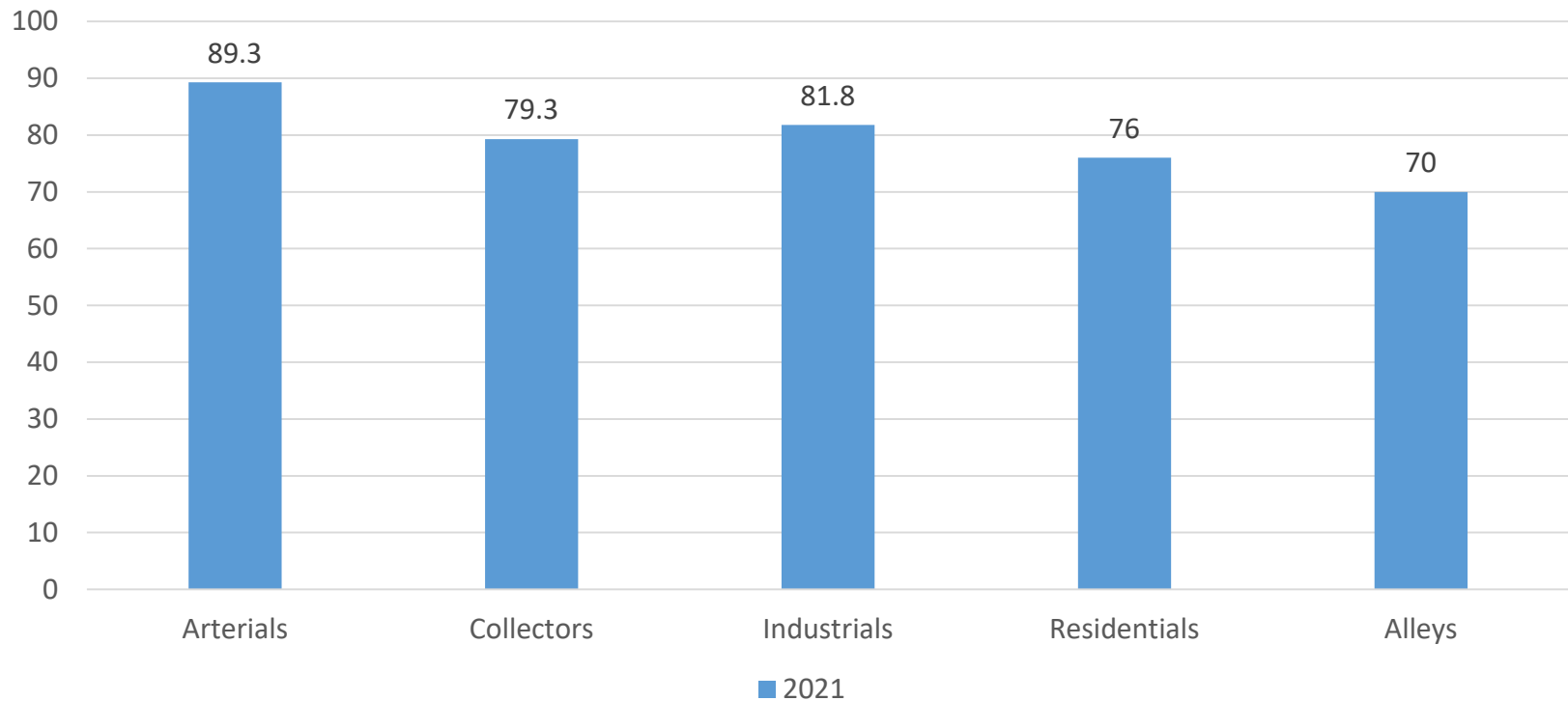


■ 0-10 years ■ 11-20 years ■ 21-30 years ■ 31-40 years
■ 41-50 years ■ 51-60 years ■ 61 +

Street Department

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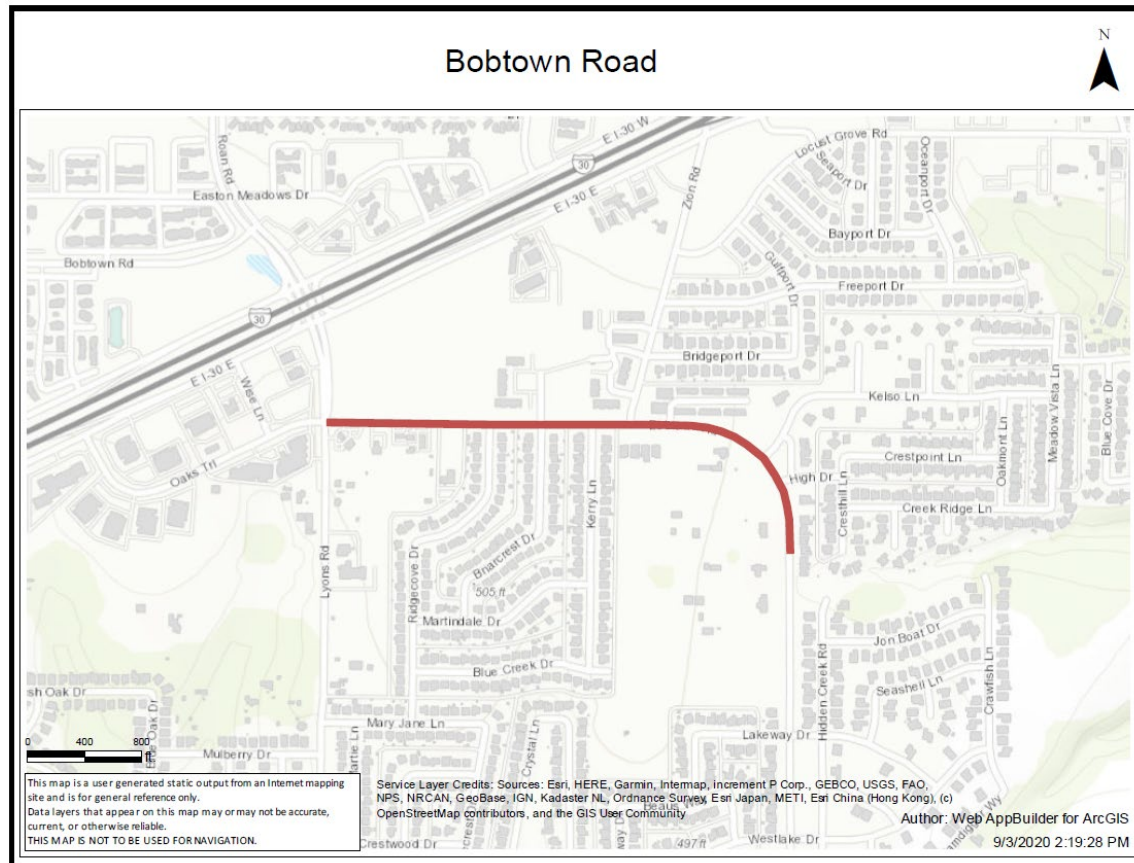
Pavement OCI By Functional Classification



Street Department

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Bobtown Road Project – Complete

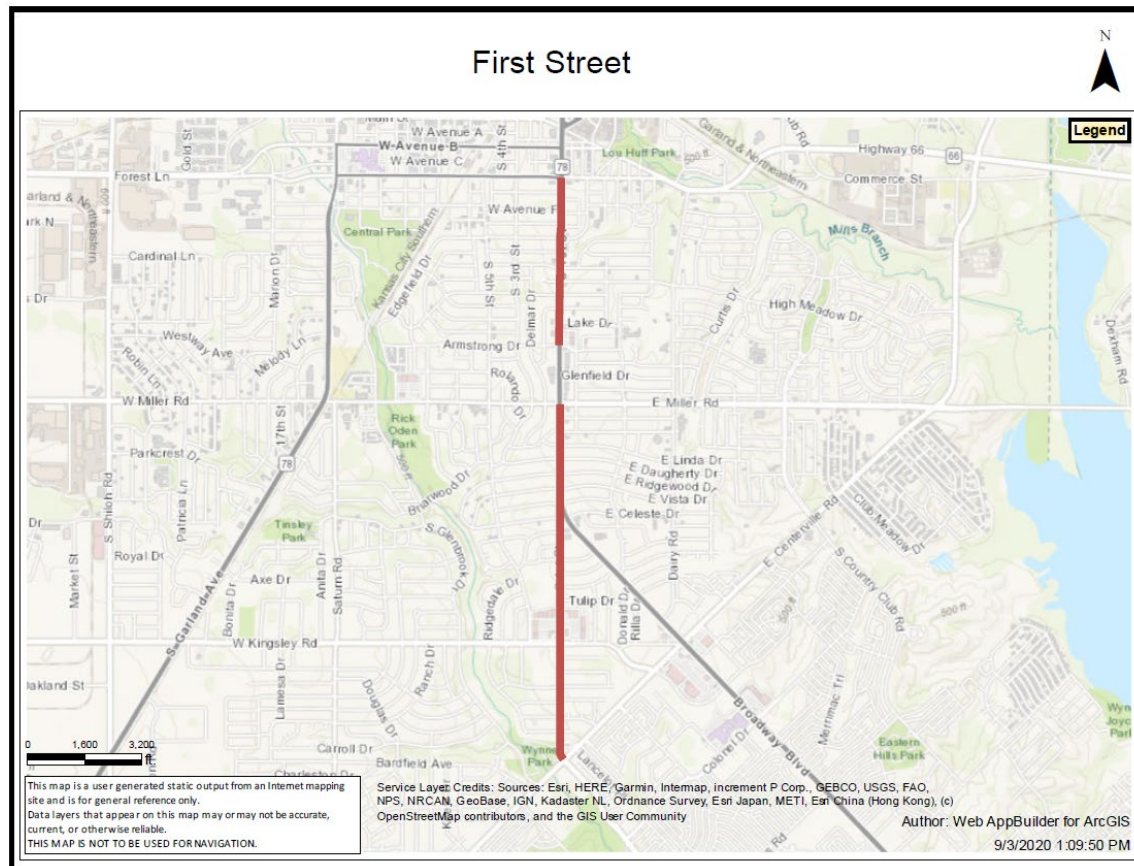


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Street Department

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First Street Project – Complete

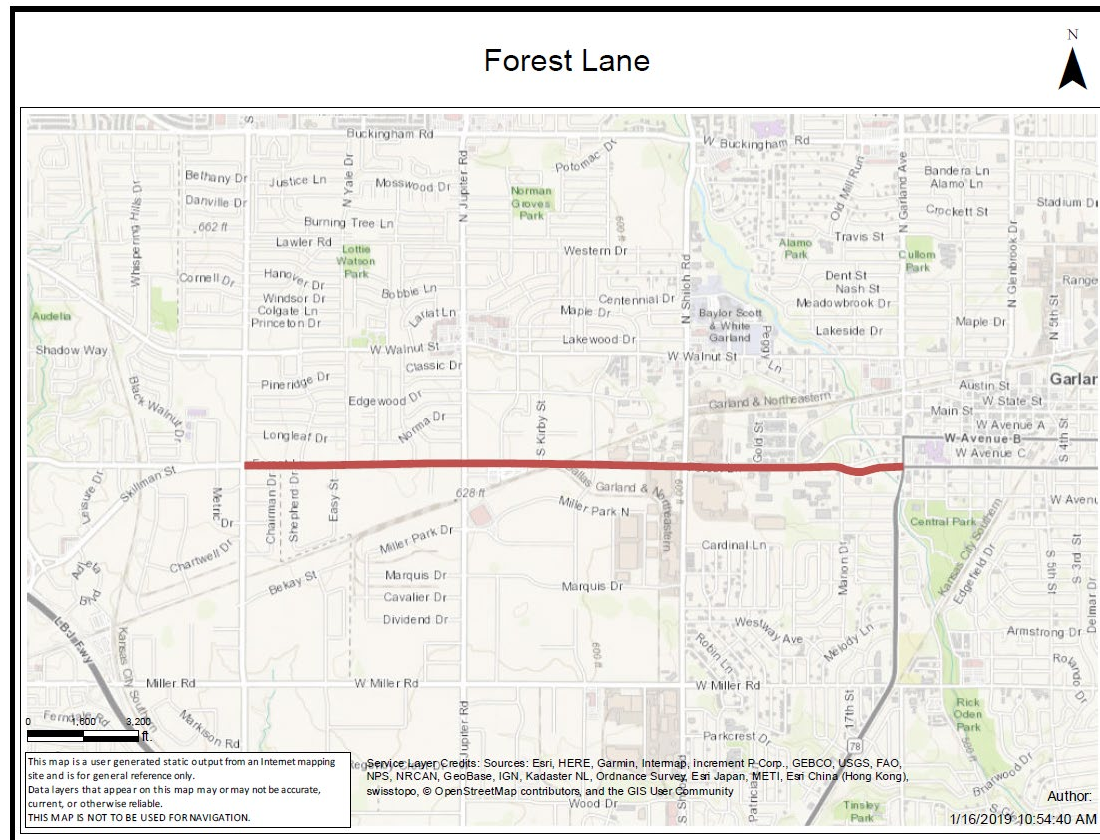


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Street Department

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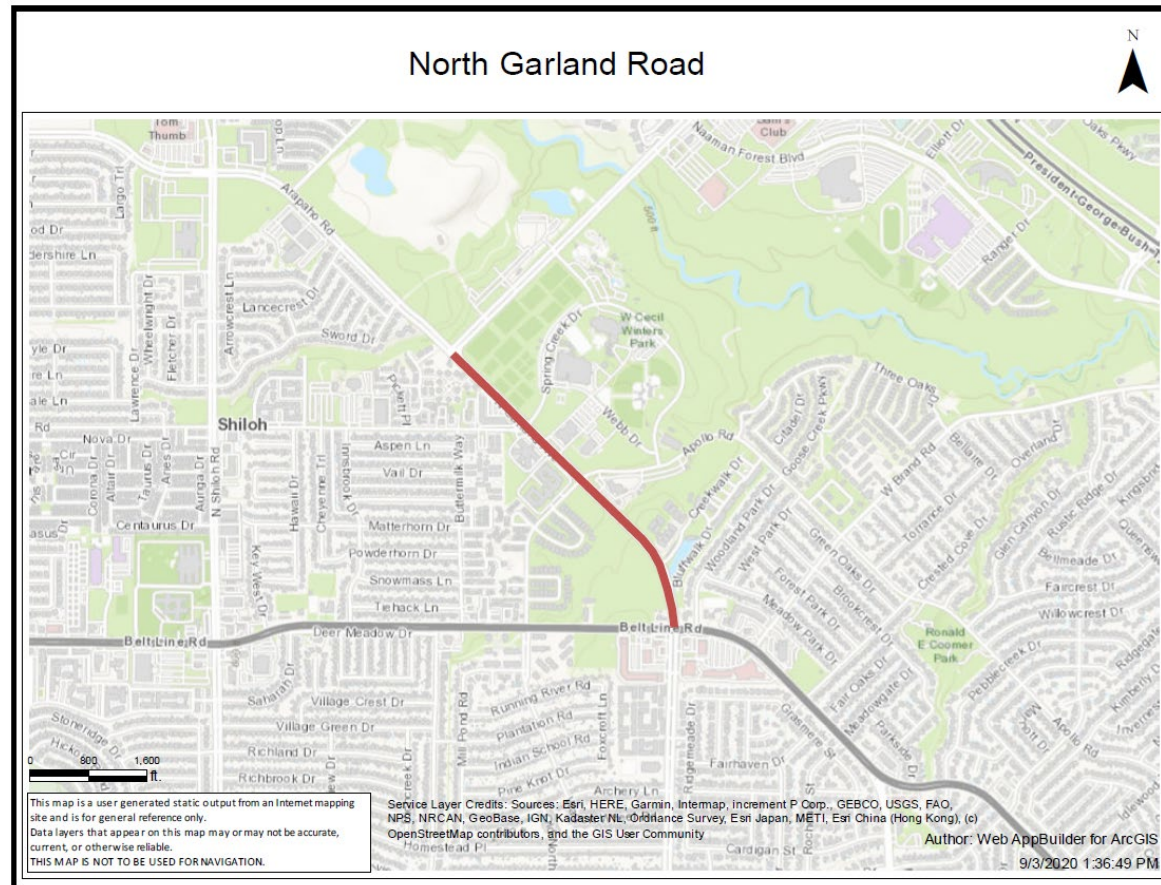
Forest Lane Project – Complete



Street Department

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North Garland Road Project – Complete

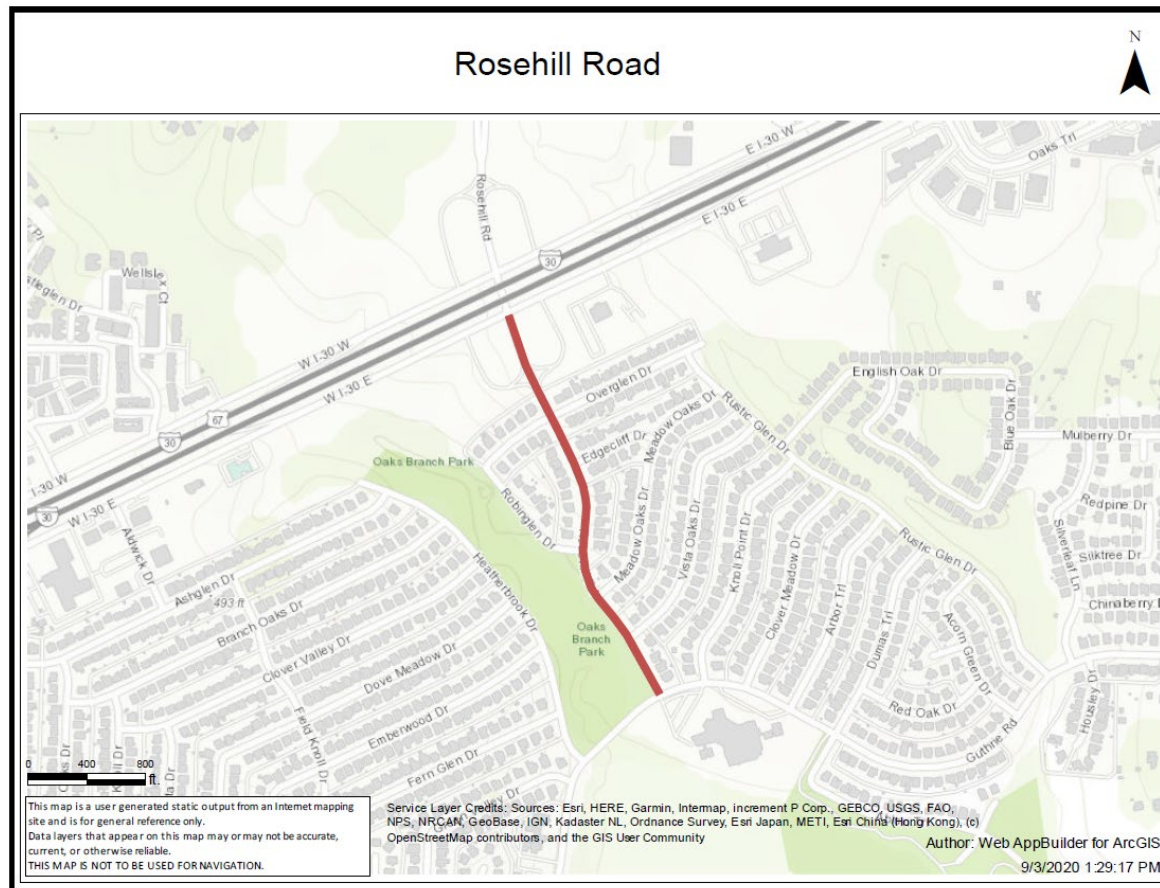


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Street Department

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Rosehill Road Project – Complete

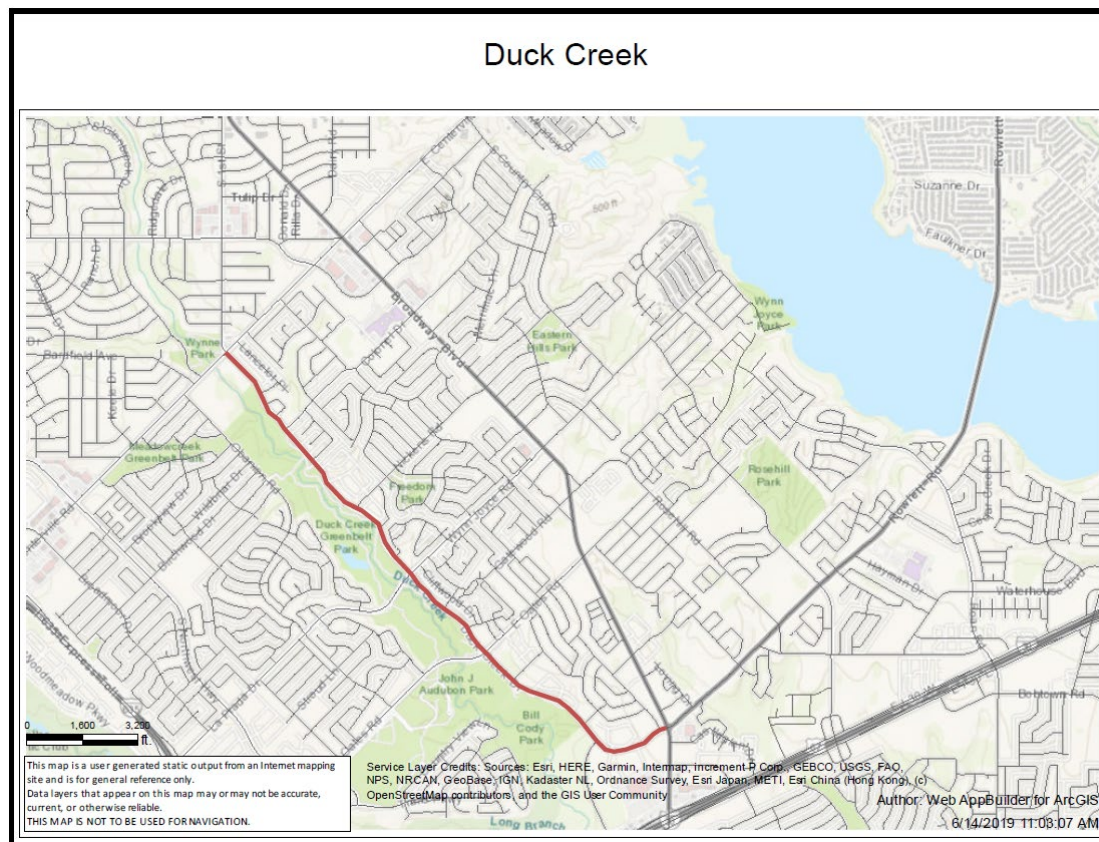


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Street Department

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Duck Creek Project – Level Lift - Complete/Concrete Repair - Future

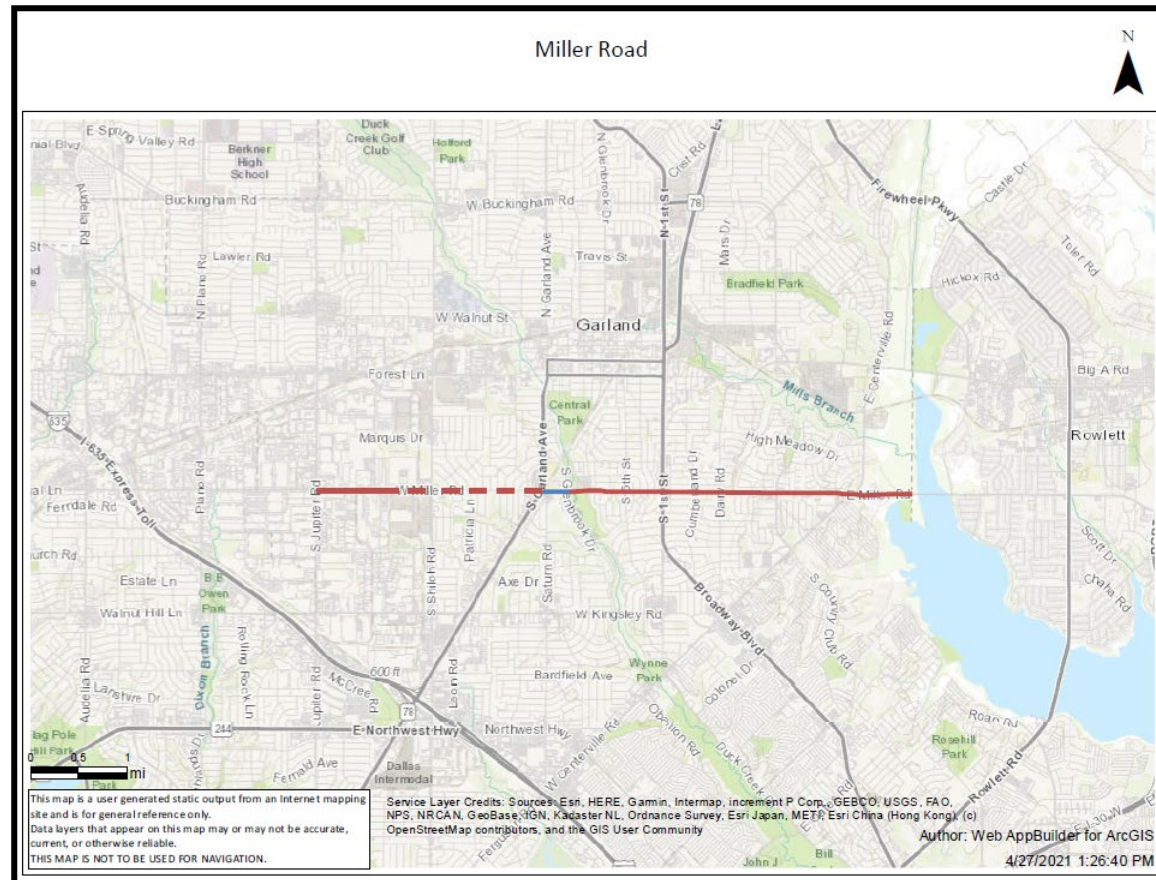


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Street Department

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Miller Road Project – Complete/Future



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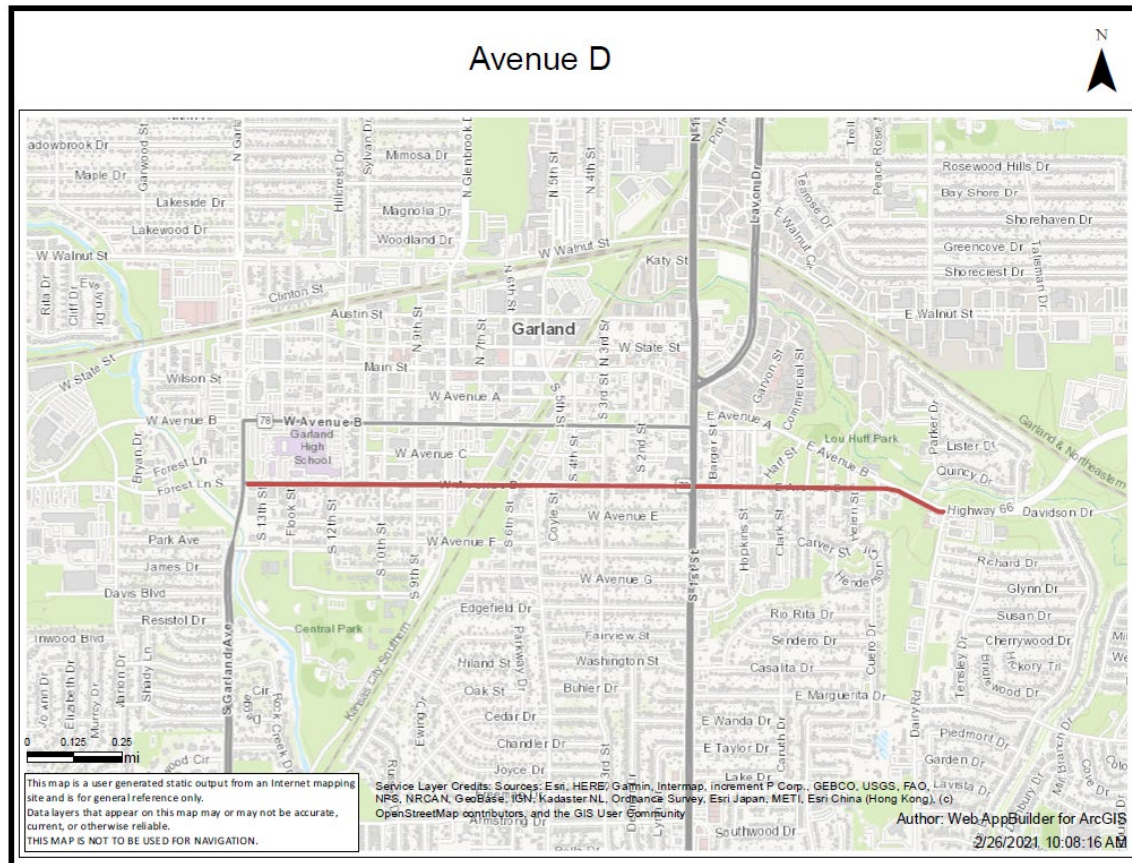
Centerville (Broadway Blvd. to SH-66)



Street Department

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Avenue D Project – Future



Street Department



Street Department Commitments on Other Departments' Projects

Projects	Type	Design	Construction OPC	Tentative Bid Date
Roan Water Line - Rowlett to Waterhouse	Concrete Slab Replacement	-	\$ 600,000	Complete
Churchill/Strother Alley	Alley Reconstruction		\$ 200,000	Complete
Glenbrook Dr.- Centerville to Carroll Dr	Full Street Reconstruction	\$ 180,400	\$ 1,500,000	Awarded By Council
Meadowcrest Park Drainage	Street and Alley Reconstruction	\$ 34,420	\$ 700,000	Under Construction
Miller Road	Full Street Reconstruction	\$ 60,000	\$ 720,000	Under Construction
Ave. H / Ninth St. - Glenbrook to Park Roads	Full Street Reconstruction		\$ 265,740	Under Construction
Carroll	Full Street Reconstruction and Utilities	\$ 136,810	\$ 990,000	Awarded By Council
Mayfield	Full Street Reconstruction and Utilities	\$ 212,960	\$ 2,000,000	Pending Award
Guildford (S), Pembroke/Sylvan, Rochdale/Sylvan, Cardigan/Guildford, Glasmere/Glenbrook	Alley Reconstruction and Sanitary Sewer Replacement	\$ 32,000	\$ 450,000	6/21
Field Knoll - Dove Meadow to South End	Full Street Reconstruction and Drainage System	\$ 103,000.00	\$ 900,000	6/21
Ballinger, Bonita, Lamesa and Cortez	Bonita - full Street Reconstruction and Sidewalks	\$ 119,000	\$ 1,700,000	6/21
	Ballinger- trench line	\$ -		
		\$ 878,590	\$ 10,025,740	



GARLAND

Street Department



Street Department Project Management and Contracted Projects

2018 Street Department Term Concrete Repair Contract

Section 1 – Arterial Roadways

Annual Funding Amount - \$3,000,000.00

Award Date – 03/20/2018

Spent-To-Date - \$9,000,000.00

Contract Plus Four Renewals – Executing Third Renewal

Section 2 – Residential Roadways

Annual Funding Amount - \$4,000,000.00

Award Date – 03/20/2018

Spent-To-Date - \$9,362,666.21

Contract Plus Four Renewals – Working in Second Renewal

Section 3 – Alleys

Annual Funding Amount - \$1,500,000.00

Award Date – 03/20/2018

Spent-To-Date - \$2,804,311.85

Contract Plus Four Renewals – Terminating After First Renewal



GARLAND

Street Department

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Street Department Project Management and Contracted Projects

2018 Paving Replacement Project (7 Streets)

Valley Mills Drive (2 Sections)

Award Date – 06/05/2018

Final Construction Cost - \$1,177,206.49

Final Acceptance Date – 11/30/2018

Club Creek Blvd., Northridge Dr. and Shari Ln.

Award Date – 09/04/2018

Final Construction Cost - \$2,057,270.46

Final Acceptance Date – 11/07/2019

Martindale Dr. and Blue Creek Dr.

Award Date – 11/06/2018

Final Construction Cost - \$1,619,655.00

Final Acceptance Date – 12/13/2019

Street Department

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Street Department Project Management and Contracted Projects

2017 Alley Replacement Project, Phase 2B (5 alleys)

Award Date – 07/10/2018

Final Construction Cost - \$1,068,384.15

Final Acceptance Date – 12/20/2019

Street Department



Street Department Project Management and Contracted Projects

2018 Paving, Water and Sanitary Sewer Replacement Project (11 Streets)

Phase 1 – Alta Oaks Dr., Dove Meadow Dr., Emberwood Dr., Freeport Dr. and Bosque Dr.

Award Date – 08/21/2018

Final Construction Cost - \$3,391,979.50

Final Acceptance Date – 10/31/2019

Phase 2 – Middle Glen Dr., Daugherty Dr. and Carroll Dr.

Award Date – 08/18/2020

Bid Amount for Construction - \$2,671,713.00

Days To Complete – 250 Calendar Days

Phase 3 – North Ct., Goliad St. and Meadow Green Dr.

Award Date – 09/17/2019

Bid Amount for Construction - \$1,599,644.90

Final Acceptance Date – September 2020



GARLAND

Street Department

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Street Department Project Management and Contracted Projects

2018 Alley Replacement Project (Phase 1) (7 alleys)

Award Date – 09/04/2018

Final Construction Cost - \$927,242.42

Final Acceptance Date – 10/29/2019

Stroud Lane Paving and Water Main Replacement Project

Award Date – 05/07/2019

Final Construction Cost - \$1,300,947.95

Final Acceptance Date – 12/13/2019

2019 Alley Replacement Project (10 Alleys)

Award Date – 09/07/2019

Bid Amount for Construction - \$1,335,000.00

Seven (7) Alleys completed to date

Street Department



Street Department Project Management and Contracted Projects

2019 Miscellaneous Concrete Repair Project – “Last Mile Project”

Annual Funding Amount - \$1,500,000.00

Award Date – 03/03/2020

Contract Plus Two Renewals – Working on First Renewal –
\$1,523,542.10 spent to date

Pavement Lifting Services

Annual Funding Amount - \$1,000,000.00

Award Date – 12/22/2017

Spent-To-Date - \$4,000,000.00

Contract Plus Four Renewals – Contract Completed

Pavement Lifting Services

Annual Funding Amount - \$2,000,000.00

Award Date – 1/12/2021

Contract Plus Four Renewals – Contractor working on the Original Contract

Arterial Pavement Maintenance Requirements Contract

Annual Funding Amount - \$2,080,933.00

Award Date – 11/10/2020

Spent-To-Date - \$536,395.41



GARLAND

Street Department



Railroad Crossing Improvements

- N. First Street Spur Line (KCS) – under construction
- Buckingham Road @ SH 78 (KCS) – construction start in June
- Forest Lane @ Shiloh Road (DGNO) – design under review by DGNO
- Forest Lane near Kirby Street (DGNO) - design under review by DGNO
- Kingsley Road near Shiloh Road (DGNO) - design under review by DGNO
- Kingsley Road near National Street (KCS) - design under review by KCS
- Miller Road west of Shiloh Road (DGNO) – under design
- Jupiter Road near Forest Lane (DGNO) – under design

Street Department

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Projected Number Of Projects By Classification FY 2020 – FY 2028 \$25M+ Annual Funding

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<u>Arterials</u>	12	7	3	2	2	2	2	2	2
<u>Collectors</u>	6	3	5	5	5	5	5	5	5
<u>Industrials</u>	0	0	0	2	2	2	2	2	2
<u>Residentials</u>	106	52	95	106	106	106	106	106	106
<u>Alleys</u>	44	22	22	58	58	58	58	58	58
<u>Total Projects</u>	168	84	195	209	209	209	209	209	209



GARLAND

Street Department

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Questions?



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

4. c.

Meeting Date: May 3, 2021

Item Title: Windsurf Bay Park

Summary of Request/Problem

At the request of Mayor Pro Tem Jerry Nickerson and Mayor Scott LeMay, Council is requested to discuss the possible reopening of Windsurf Bay Park.

Recommendation/Action Requested and Justification

Council discussion.



GARLAND
CITY COUNCIL ITEM SUMMARY SHEET

City Council Work Session Agenda

4. d.

Meeting Date: May 3, 2021

Item Title: Public Safety Committee Report

Submitted By: Jeffrey Bryan, Chief of Police

Summary of Request/Problem

Council Member Robert Vera, Chairman of the Public Safety Committee, and Chief Jeff Bryan, Staff Liaison to the Committee, will provide a committee report on the following items assigned to the Committee:

- Review parking ordinance for unregistered vehicles stored on streets
- Consider requiring Key Storage System for Apartment Complexes

Recommendation/Action Requested and Justification

Council discussion.

Attachments

Street Parking Ordinance

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 33, "TRANSPORTATION", OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS TO PROVIDE A PARKING OFFENSE FOR CERTAIN PARKING ON PUBLIC PROPERTY; 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.

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

Section 1

That Sec. 33.55(A) of Chapter 33, "Transportation", of the Code of Ordinances of the City of Garland, Texas, is hereby amended by adding a new subsection (A)(18) to read as follows:

"(18) On a roadway if the vehicle is unregistered or registration of the vehicle is expired by more than ninety (90) days."

Section 2

That Sec. 33.55(B) of Chapter 33, "Transportation", of the Code of Ordinances of the City of Garland, Texas, is hereby amended by adding a new subsection (B)(18) to read as follows:

"(18) On a roadway if the vehicle is unregistered or the registration of the vehicle is expired by more than ninety (90) days."

Section 3

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 4

That Chapter 33, "Transportation" of the Code of Ordinances of 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 5

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 6

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

PASSED AND APPROVED this the 6th day of April, 2021.

CITY OF GARLAND, TEXAS

Mayor

ATTEST:

City Secretary

PUBLISHED:



**GARLAND
CITY COUNCIL ITEM SUMMARY SHEET**

City Council Work Session Agenda

4. e.

Meeting Date: May 3, 2021

Item Title: 2021-2022 Discussion of the CDBG, HOME and ESG Federal Grant Allocations

Submitted By: Mona Woodard, Neighborhood Services Administrator

Summary of Request/Problem

Council discussion and allocation of the Community Development Block Grant (CDBG) funding, HOME Infill Partnership Grant (HOME) funding, and the Emergency Solutions Grant (ESG) funding.

The Council was provided information regarding grant allocations during the April 5th 2021, Work Session. A Public Hearing was held on this item soliciting public input during the April 6th, 2021 Regular Meeting, and Council discussed the item during the April 19, 2021, Work Session. Public Services allocations have been updated as directed by Council at the April 19, 2021 Regular Meeting.

This item is scheduled for formal consideration at the May 4, 2021 Regular Meeting.

Recommendation/Action Requested and Justification

Staff is requesting Council direction for the allocation of CDBG, HOME and ESG funding.

Attachments

Federal Grant Allocations FY 2021-2022 (1)



GARLAND

**HOUSING AND
COMMUNITY SERVICES**

2021-2022 Federal Grant Funding

May 3, 2021 Work Session

Purpose and Timeline

Council is being asked to finalize the allocation of Public Services Applications for fiscal year 2021-22 CDBG, HOME and ESG funding. Worksheets were provided to Council for review and individual recommendations. To date, there has been a written briefing provided to Council on April 5, 2021, and a Public Hearing held on April 6, 2021 and initial discussion held on April 19, 2021.

2021-2022 Grant Process	
Final Allocation Discussion	May 3, 2021 – Work Session
Final Allocation Approval	May 4, 2021 – Regular Council Meeting

FY 2021/22 - Community Development Block Grant

- Public Services Applications Received

Entity	Application Funding Requested	Council Revised Recommendations
Garland Police Boxing Program	\$29,100	\$27,121
Garland Elderly Yard Care Program	\$22,957	\$22,666
Garland Parks S.T.A.R.S Program	\$80,000	\$30,257
Achievement Center of Texas	\$60,000	\$57,507
Hope Clinic	\$100,000	\$80,118
Hopes Door/New Beginning Center	\$60,000	\$33,376
Counseling Institute of Texas	\$60,000	\$16,173
Meals on Wheels Program	\$13,600	\$10,650
Salvation Army Rent Assistance Program	\$62,500	\$28,660
Garland Senior Ombudsman Program	\$18,000	\$16,611
Emergency Motel Voucher Program – New Project – Restoration Church	\$12,000	\$0
Summer Youth Camp – New Program – Restoration Church	\$60,000	\$5,000
		Maximum Available
TOTAL Public Service Allocation	578,157	\$328,139

Discussion/Questions