

AGENDA

**CITY COUNCIL WORK SESSION
City of Garland
Work Session Room, City Hall
200 North Fifth Street, Garland, Texas
August 6, 2012**

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.

Regular Item: These items generally require discussion between the Council and staff, boards, commissions, or consultants. These items are often accompanied by a formal presentation followed by discussion.

**[Public comment will not be accepted during Work Session
unless Council determines otherwise.]**

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]

(6:00) 1. Written Briefings:

a. Vacancies on the Garland Housing Finance Corporation (GHFC) Board of Directors

The terms of office for Ed Jackson and Chris Liebrum as members on the GHFC Board of Directors will expire on August 31, 2012. Information was posted on the City's website for 14 days in order to provide an opportunity for citizens to apply for the positions. Ed Jackson and Chris Liebrum have both indicated their desire to be reappointed for another six-year term. A letter of interest and resume was also received from Frank Chavez. If Council concurs, interviews will be held with all three applicants at the August 20, 2012 Work Session.

b. Wastewater Improvements Agreement for Daisy Brand

Council is requested to consider authorizing a Wastewater Improvements Agreement with Daisy Brand for the wastewater main improvements along Wall Street from Denton Drive, through easements, to the upper end of the recently completed Carroll Bardfield Relief Sewer. This item is scheduled for formal consideration at the August 7, 2012 Regular Meeting.

c. Use of Escrow Accounts to Manage Texas Municipal Power Agency (TMPA) Debt Service

On July 12, 2012, the TMPA Board of Directors passed a resolution providing an option for TMPA Member Cities (City of Bryan, City of Denton, City of Greenville, City of Garland) for the administration of funds received from Member Cities for the purpose of refunding or prepaying a portion of TMPA's outstanding revenue refunding bonds, Series 1993. TMPA is proposing the use of escrow accounts as an option to manage the Series 1993 debt service and seeks the approval of an agreement between the Member Cities to allow the use of the escrow accounts. Council is requested to authorize an agreement among and between the Member Cities regarding the prepayment of fixed cost power purchase payments to be paid to TMPA. If Council concurs, this item will be scheduled for formal consideration at the August 21, 2012 Regular Meeting.

d. Sale of Tax Foreclosed City Property

Council is requested to consider authorizing the sale of six tax foreclosed vacant lots in the City of Garland to homebuilders working in partnership with the Housing and Community Services Department for the development of single-family homes. This item is scheduled for formal consideration at the August 7, 2012 Regular Meeting.

e. Portfolio Summary

The portfolio summary report is provided 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 Policy Finance-06, Statement of Investment Policy, and City Council Policy Finance-05, Statement of Investment Strategy.

f. Rate Mitigation Quarterly Portfolio Report

The rate mitigation portfolio report is provided to Council each quarter. The report presents investment information regarding the balances held in the Rate Mitigation Fund.

Item	Key Person
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(6:15) 2. Verbal Briefings:

a. Garland Labor Day Exchange Event

DeFeo

Council will be briefed on the Garland Labor Day Exchange Event (GLEE) that will be held on September 3, 2012. This event is sponsored by the Noon Exchange Club of Garland.

**b. Mosquito Control Program and
2012 West Nile Virus Outbreak**

B. J. Williams/Mayor

At the request of Council Member B. J. Williams and Mayor Ronald Jones, staff will provide a briefing on the mosquito-borne disease surveillance and control program of the Health Department. Staff will

also give an update on the current West Nile virus activity within Garland.

c. Requests for Council Consideration **B. J. Williams/Mayor**

At the request of Council Member B. J. Williams and Mayor Ronald Jones, Council is requested to consider the following items:

- *Appoint a special workgroup to explore and develop a feasibility proposal for a fiscally sound, budget neutral 2013 July 4th observance for the Garland community.*
- *Code Compliance and Building Inspection: Conduct community (neighborhood) public information forum in each Council district in 2012-2013. Note: In person or interactive via CGTV.*
- *Appoint a workgroup to review current sign ordinance to determine if “business-friendly” changes can be made.*
- *Instruct Chamber to develop and present to Council a community outreach initiative for nonmember small businesses of services available through the Dallas Small Business Development Center.*

d. Televising Citizen Comments at Council Meetings **Goebel/Mayor**

At the request of Council Member Anita Goebel and Mayor Ronald Jones, Council is requested to discuss televising citizen comments at Council meetings. This item is scheduled for a public hearing and formal consideration at the August 7, 2012 Regular Meeting.

(7:30) 3. Regular Items:

a. Preview of 2012-13 Proposed Budget **Bradford/Young**

Presentations will include an overview of the City Manager’s Proposed Budget for FY 2012-13, proposed compensation and benefits for FY 2012-13, and a Texas Municipal Retirement System update. The FY 2012-13 Proposed Budget document will officially be presented to the Council at the August 7, 2012 Regular Meeting.

**(9:30) 4. Discuss Appointments to Boards and Commissions
and Mayor's Appointments to Council Committees**

Council

District 1 – Council Member Tim Campbell

- *John P. Young – Board of Adjustment*
- *Aaron David Miller – Building and Fire Codes Board*
- *Barbara Rust Powers – CENAC*
- *Deo Sookdeo – Community Multicultural Commission*
- *Harlan Ray Seagren – Garland Cultural Arts Commission*
- *Nicholas William Oliver II – Housing Standards Board*
- *Julius Irozuru – Library Board*
- *Ed Seghers – Parks and Recreation Board*
- *Scott Roberts – Plan Commission*
- *William Swisher – TIF (South)*

District 2 – Council Member Anita Goebel

- *Arlene Beasley – Board of Adjustment*
- *Steven C. Hallman – Building and Fire Codes Board*
- *Claudia Porras – Garland Cultural Arts Commission*
- *Rodney Blount – Housing Standards Board*
- *Lynnell “Patricia” Boone – Library Board*
- *Lawrence Billy Jones III – Parks and Recreation Board*
- *Nettie Mae Malcolm – Plan Commission*
- *Wayne Wilmany – Senior Citizens Advisory Committee*
- *Dwight Dee Nichols – Plumbing and Mechanical Codes Board*
- *William L. Dunn – TIF (Downtown)*

District 4 – Council Member B. J. Williams

- *Jim Bookout – Board of Adjustment*
- *Neil Sheffield – CENAC*
- *Janet Lea Bridges – Community Multicultural Commission*
- *Blanca A. Sanchez – Garland Cultural Arts Commission*
- *David Perry – Housing Standards Board*
- *Corsharra Jackson – Library Board*
- *Davis Cecil Williams II – Parks and Recreation Board*
- *John David O’Hara – Plan Commission*
- *Gwendolyn Daniels – Senior Citizens Advisory Committee*
- *Robert Duckworth – TIF (Central)*
- *Larry D. Daniels – Plumbing and Mechanical Codes Board*

District 5 – Council Member John Willis

- Betty Templer Roberts – CENAC
- Howard N. Gay – Garland Cultural Arts Commission
- Robert H. Brandon, Jr. – Library Board
- Patsy B. Rogers – Parks and Recreation Board
- Truett Welborn – Plan Commission
- Eula Marie Speece Axe – Senior Citizens Advisory Committee
- Tom Jefferies – TIF (South)

District 7 – Council Member Rick Williams

- Phillip Alfred Brown – Building and Fire Codes Board
- Jennifer B. Nguyen – Community Multicultural Commission

Mayor Ronald Jones

- Appointments to Council Committees

5. Consider the Consent Agenda Council

A member of the City Council may ask that an item on the consent agenda for the next regular meeting be pulled from the consent agenda and considered separate from the other consent agenda items. No substantive discussion of that item will take place at this time.

6. Announce Future Agenda Items Council

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.

(10:00) 7. Adjourn Council

(Estimated time to consider)



Meeting: Work Session

Date: August 6, 2012

Policy Report

GARLAND HOUSING FINANCE CORPORATION BOARD OF DIRECTORS VACANCIES

ISSUE

The terms of office for Ed Jackson and Chris Liebrum as board members on the Garland Housing Finance Corporation (GHFC) Board of Directors will expire on August 31, 2012.

Information was posted on the City's website for 14 days in order to provide an opportunity for citizens to apply for the positions. Qualified applicants were requested to submit a letter of interest and resume to the City Manager's Office by 5:00 p.m. on July 30, 2012.

Ed Jackson and Chris Liebrum have both indicated their desire to be reappointed for another six-year term. A letter of interest and resume was also received from Frank Chavez.

Council is requested to hold interviews at the August 20, 2012 Work Session.

RECOMMENDATION

If Council concurs, interviews will be held with Ed Jackson, Chris Liebrum, and Frank Chavez at the August 20, 2012 Work Session.

BACKGROUND

On December 4, 1990, the Garland Housing Finance Corporation was organized for the purpose of benefiting and accomplishing public purposes of, and on behalf of, the City by financing the cost of residential housing for residents of the City at prices they can afford.

The board of directors is comprised of five members that are appointed for a term not to exceed six years. Ed Jackson has served on the GHFC Board of Directors since 2001 and Chris Liebrum since 2006.

CONSIDERATION

In accordance with City Council Policy GOV-01, "Council Appointments to and Communications with Outside Agencies/Authorities", notice was placed on the City's website at least 45 days prior to the board member's expiring term for a minimum of 14 days in order to provide citizens the opportunity to apply for the position.

At the close of the 14-day notice period, Ed Jackson, Chris Liebrum, and Frank Chavez were the only citizens that responded.

Submitted By:

William E. Dollar
City Manager

Date: July 31, 2012

From: Ed Jackson <jackamo@aol.com>
Sent: Friday, July 13, 2012 1:10 PM
To: Smith, Cindy
Subject: Reappointment to Garland Housing Finance Corporation (GHFC) Board.

This is to inform the City of Garland of my interest in being reappointed to the Board of GHFC when my term expires on August 31, 2012.
Thank you for this opportunity to serve the Garland in this position.

Ed Jackson

Ed Jackson

Garland Resident since 1962

Graduated from Oklahoma University with BSEE in 1952

Married to Re Jackson from Oklahoma City in 1953

Three children (Elisabeth, Elaine and Gene) all educators

Hobbies include running and writing (author of two books)

Served three years aboard USS Princeton as Electrical Officer

Retired from Varo Inc in 1997 (VP and General Manager)

Career involved senior positions in E Systems, Overhead Door Corporation and Forney Engineering Company

Served on numerous Boards and Committees for the City of Garland including:
Garland Housing Finance Corporation (2000-2012) (President from 2004-2009)
Economic Development Corporation and Health Facilities Corporation (1997-2000) (Chairman)

Non profit activities include Chairman of Salvation Army Advisory Council, Chairman of Hope Clinic, Deacon, Sunday School Teacher, and Personnel Committee at First Baptist Church of Garland

Executive Board of Texas Association of Local Housing Finance Agencies (2007-2010),

Executive Board of Baptist General Convention of Texas (2006-2012)

Dear Mayor and City Council,

It has been a pleasure to serve this past term as a member of the GHFC board. I would like to serve another term and hope you will confirm my appointment. I have attached a brief resume.

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Chris Liebrum
Director - Education/Discipleship Center
Texas Baptists
333 North Washington
Dallas, TX 75246-1798
Office - 214.828.5292
Cell - 214.707.5699

RESUME

Chris Liebrum
3442 Knoll Point
Garland, Texas 75043
972 226 3071

Ministry/Employment

Baptist General Convention of Texas

1984-Present

Director, Education/Discipleship Center April 2009

- This center provides leadership and ministry that extend from Sunday School to Seminary.
- The center consists of seven teams including, Sunday School Discipleship, Church Architecture, Pastorless Churches, Bivocational/Smaller Church Ministries, Music and Worship, Congregational Strategists, and BaptistWay Publishing House.
- The center works closely with the nine Baptist General Convention of Texas Educational Institutions finding ways to effectively collaborate with them on ways to serve Texas Baptist churches.

Executive Coordinator

February 2005-April 2009

- Provide strategic and tactical assistance to the Executive Director in the management of responsibilities assigned to this office.
- Coordinated the work of all convention committees to include the supervision of the selection of over 700 trustees for the 23 BGCT institutions.
- Help facilitate communication to our churches, institutions, and other key areas of the organization.
- Assist in the management of key meetings assigned to the Executive office to include Executive Board meetings, annual Convention meeting, convention committee meeting.
- Assist in the management and resolution of unexpected situations and provide critical incident management support.

- Research issues and information and provide reports as requested by the Executive Director.

Director Human Resources

1999-2005

- Directed the personnel administration responsibilities for staff of approximately 300 full time employees including hiring, personnel management, training, salary administration, benefits administration and employee relations.
- Developed the Baptist Building University which is the continuing education program for the Executive Board staff.

Youth Ministry Consultant

1984-1999

- Provided training a consultation to youth ministry leaders in Texas
- Directed and managed the Youth Ministry Conclave, an annual training event attracting over 1,000 youth ministers from Texas and the US
- Directed and managed the Baptist Youth Day @ Six Flags with an attendance of 20,000 youth and youth leaders
- Director of Youth Evangelism 1987-89. Directed the Youth Evangelism Conferences and Super Summer Programs.
- Participated in the creation and development of the See You At The Pole prayer movement
- Worked with national SBC leaders to develop the TRUE LOVE WAITS program

Youth Minister

1969-1984

Casa View Baptist, Dallas	1978-1984
Park Heights Baptist, San Angelo	1976-1978
Fairview Baptist, Grand Prairie,	1973-1976
FBC San Saba (student HPU)	1972-1973
FBC Dublin (student HPU)	1970-1971
FBC Blanket (student HPU)	1969-1970

Baptist Student Ministry Director

1975-1976

Dallas Baptist University

Education

Howard Payne University, Bachelor 1973
Southwestern Theological Seminary, Masters 1976
Howard Payne, Doctorate 2006

Family

Wife, Cindy (Hughes) Liebrum, HPU Graduated 1972
Son, Cory Liebrum-1975
Son, Clay Liebrum-1978

Early Years

- Active in my local church youth group and associational youth work
- President Texas Baptist Royal Ambassadors- 1968-69
- Texas Baptist Men State Staff -Summers 68-71- During the summers traveled around the state helping with summer youth camps.

Recognitions and Honors

Member of HPU Heritage Singers 69-73
Traveled with USO Shows Summer 1973
President Senior Class HPU 1973
Who's Who in American Colleges 1973

Distinguish Alumni HPU 1988
HPU Alumni Board of Directors 1990
Presidents Advisory Council HPU 2006

From: Frank Chavez <g4sq@yahoo.com>
Sent: Wednesday, July 18, 2012 12:47 PM
To: Smith, Cindy
Subject: Representative for the City on the Garland Housing Finance Board of Directors
Attachments: Resume Skills.doc

I am respectfully submitting my attached resume for the Representative of the Garland Housing Finance Board of Directors. I am very interested and open to dialog concerning the duties and responsibilities of the position. Thank you for your consideration.

Frank X. Chavez
722 Woodcastle Drive
Garland, TX 75040

(469) 835-0921 cell
(972) 240-9000 off.

KEY SKILLS:

Communication – Excellent verbal, written and listening skills. Management of multi-staff and individuals via telephone, email and face to face to ensure successful communication.

Problem Solving – Resolves in-depth queries in a methodical manner. Acts as mediator to find appropriate resolution in conflict or problematic situations. Ability to correct and direct solutions.

Planning & Organization - Excellent planning skills for large projects, such as construction, remodeling, travel arrangements to foreign countries. Prepare, analyze and present annual financial reports, prepare feasibility study for future business projects. Manage yearly budget, both income and expenses.

Computer Knowledge – Functional usage of Word, Publisher, Excel and Internet.

Trades – I have extensive field and office experience in construction, electrical, carpentry.

Personal Attributes - I have worked with people all my life in local, national and international venues. I have provided direction both personal-one on one, small group to large group settings. I have experience in formal business settings as well as individual coaching , team planning, and individual vision casting. I am a quick learner and desire to expand from my present duties to new challenges.

WORK EXPERIENCE:

October 1992 to present: Senior Pastor, New Hope Fellowship, Garland, TX

- Manage yearly budget
- Manage staff of 4 department leaders
- Conduct monthly church council meetings
- Plan and organize community outreaches and foreign missions trips
- Provide spiritual guidance and pastoral care for congregation.
- Provide personal pastoral counseling when needed
- Conduct baby dedications and wedding ceremonies
- Conduct funerals and provide grief counseling for family members

May 2005 to December 2009: Divisional Superintendent, Northeast Texas Division

- Oversee 8 churches in the Northeast Texas division to assure compliance with bylaws
- Organize & conduct monthly group meetings for denominational updates
- Set regular meetings with non-compliant pastors to correct compliance issues
- Provide personal care and mentoring for these 8 pastors and their families

May 2002 – 2005: President Garland Area Ministerial Alliance

- Conduct monthly meetings for local interdenominational pastors.
- Provide a forum for greater communication between denominational leadership
- Organized and planned citywide Thanksgiving rallies supported by the Mayor, city leaders and the community

Degrees/Licenses:

1983: LIFE Pacific College Bachelor of Arts in Pastoral Ministries and Urban Studies.

1983: Teacher Certification from the Educational Teachers Association.

1990-1992: Azusa Pacific College, Two years of study Masters Degree program

Personal References Upon request.



Policy Report

WASTEWATER IMPROVEMENTS AGREEMENT FOR DAISY BRAND

ISSUE

Consider whether to enter into a Wastewater Improvements Agreement with Daisy Brand (Daisy) for the wastewater main improvements along Wall Street from Denton Drive, through easements, to the upper end of the recently completed Carroll Bardfield Relief Sewer.

OPTIONS

- A. Adopt a Resolution which authorizes the City Manager to execute the attached Wastewater Improvements Agreement with Daisy for construction and upsizing of the existing 10" wastewater main to a 12" wastewater main.
- B. Take no action.

RECOMMENDATION

Option A: This item is scheduled for formal consideration at the August 7, 2012 Regular Meeting.

COUNCIL GOAL

Quality Development and Redevelopment throughout Garland

BACKGROUND

1. The City experienced two (2) wastewater main overflows along Wall Street in January 2012 and again in February 2012. Both were a result of Daisy's manufacturing process. The City's existing 10" wastewater main located in Wall Street is not adequate to accommodate the discharge produced by Daisy during the rinsing of their tanks. As a result of the City's flow monitoring and detailed study of the existing system, including expected future demands, the City determined the existing 10" wastewater main can be upsized to a 12" wastewater main to provide the area with additional capacity. With the improvements, Daisy acknowledges they

WASTEWATER IMPROVEMENTS AGREEMENT WITH DAISY BRAND

Page 2

will be limited to a maximum discharge rate of one thousand (1,000) gallons per minute.

2. City Ordinance Sec. 31.59 (B)(2)(b) states:

(b) For mains larger than eight (8) inches in size, the developer will be refunded the difference between cost of the larger main required and the cost of an eight-inch main, the difference to be determined from the prices bid on the contract for installing utilities in this addition. Payment on the City's part will be due upon completion of the utilities in the project and acceptance by the City.

Based on this Ordinance, the City offered to pay the difference.

3. The estimated cost of the project is \$224,023.38 with following cost share by each Agency:

Daisy	\$215,023.38
City of Garland	\$ 9,000.00

CONSIDERATIONS

1. Council action is required to authorize the City Manager to sign the Wastewater Improvements Agreement with Daisy.
2. The Wastewater Improvements Agreement has been reviewed by the City Attorney's Office.

ATTACHMENTS

- A. Location Map
- B. Proposed Wastewater Improvements Agreement

Submitted By:

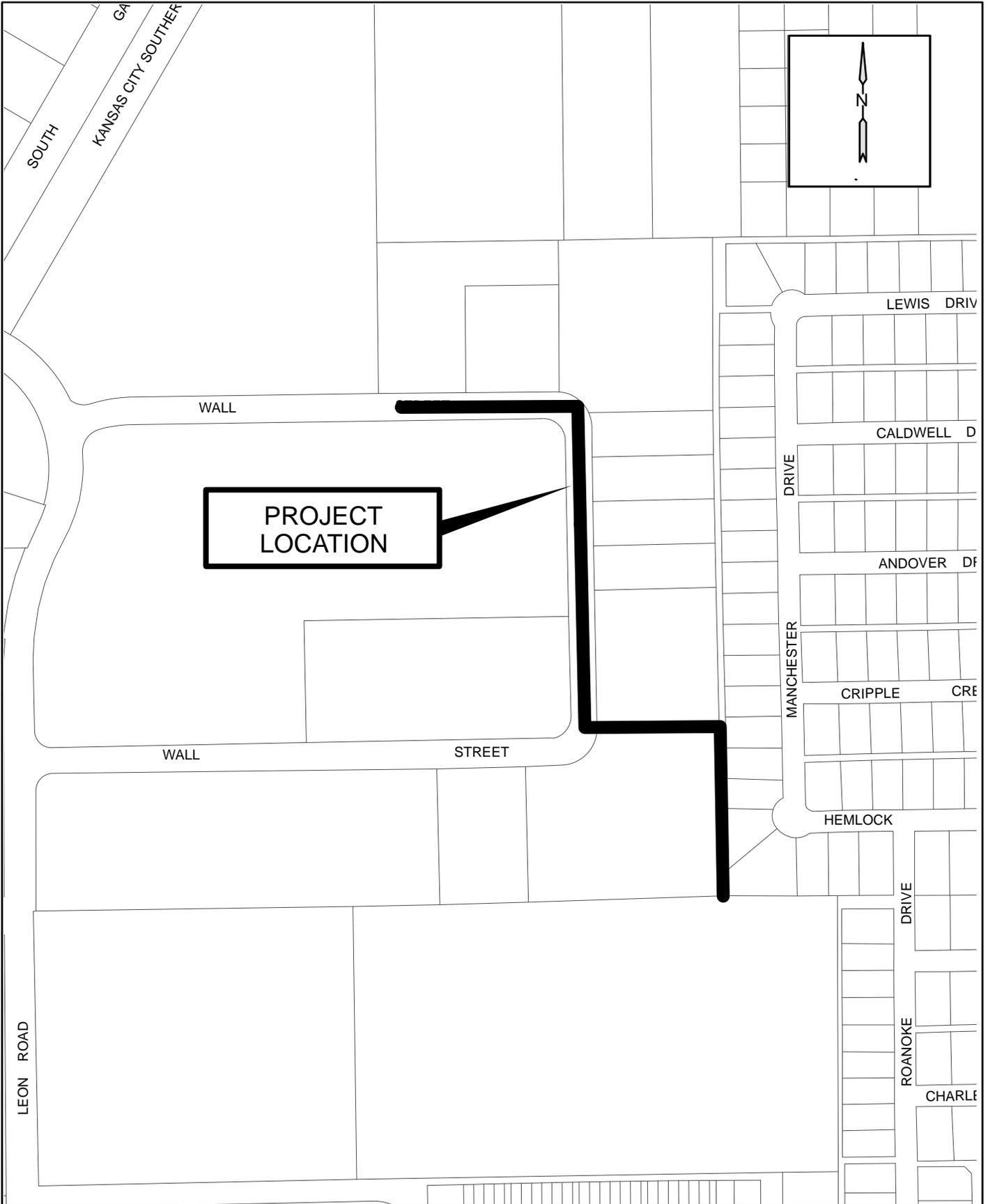
Michael C. Polocek, P.E.
Director of Engineering

Date: July 30, 2012

Approved By:

William E. Dollar
City Manager

Date: July 30, 2012



**DAISY BRAND WASTEWATER
IMPROVEMENTS**

Scale: 1"=300'
 File: DaisyBrand
 Date: 07/26/2012
 Drawn: jmk

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WASTE WATER IMPROVEMENTS AGREEMENT

THIS WASTE WATER IMPROVEMENTS AGREEMENT (this "Agreement") is made and executed effective as of _____, 2012, by and between Daisy Brand, a Texas limited partnership ("Daisy") and the CITY OF GARLAND, a Texas home-rule municipality (the "City")(collectively, the "Parties").

RECITALS:

- A. **WHEREAS**, Daisy is the owner of 3636 Leon Road, Garland, Texas and being Lot 1, Block 1 of the Daisy Brand subdivision, City of Garland, Dallas County, Texas as recorded with the Dallas County Real Property Records in Volume 93062, Page 1647;
- B. **WHEREAS**, Daisy plans to increase the size of the City's existing 10" wastewater main located in Wall Street and adjacent Utility Easements on private properties to a 12" wastewater main as more particularly described and depicted in **Exhibit "A"** (the "New Line"); and
- C. **WHEREAS**, Daisy and the City now desire to enter into this Agreement for the purpose of constructing said wastewater improvements related to recent and proposed expansion of the Property.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. HISTORY AND RECOMMENDATION

The City's existing 10" wastewater main located in Wall Street cannot accommodate the discharge produced by Daisy during their daily operations. As a result of the City's flow monitoring, detailed study of the existing system, and expected future demands, the City determined the existing 10" wastewater main can be upsized to a 12" wastewater main to provide the area with additional capacity. With the improvements, Daisy acknowledges they will be limited to a maximum discharge rate of one thousand (1,000) gallons per minute.

2. OBLIGATIONS

- a. Daisy's obligations with respect to the New Line are as follows:
 - i. The improvements shall be governed by the local ordinances and regulations (collectively, the "**Governing Regulations**"), which include, but are not limited to:
 1. The City's "Subdivision Ordinance" (as may be amended from time to time) (the "**Subdivision Regulations**"); and
 2. The City's Standard Construction Details, (as may be amended from time to time); and
 3. Manual on Uniform Traffic Control Devices ("**MUTCD**"), (as may be amended from time to time); and
 4. The City's building codes ("**Building Codes**"), (as may be amended from time to time).
 5. Contractor registration and securing a Right-of-Way permit per City Ordinance No. 5504.
 - ii. Daisy must secure all necessary temporary construction easements from private property owners to allow adequate access to properly construct the New Line. Daisy will provide a copy of all Temporary Construction Easements to the City for their records.
 - iii. Daisy shall construct, or cause to be constructed, the New Line to the limits particularly described and depicted within **Exhibit "A"**, attached hereto and incorporated herein by reference. Daisy will retain the services of a qualified contractor to construct the New Line. Improvements include upsizing the existing 10" diameter pipe to a 12" diameter pipe by pipe bursting method of construction.
 - iv. Prior to constructing the New Line, Daisy will obtain two (2) proposals from a qualified pipe bursting contractor. One proposal will be to replace the existing 10" wastewater main with a new 10" wastewater main (the "**Standard Cost**"). The second proposal will be to replace the existing 10" wastewater main with a 12" wastewater main (the "**New Line Costs**"). The difference between the actual material costs of those two proposals will be the "**City's Costs**".

- v. As a condition precedent to the City's obligations under this agreement, Daisy shall forward documentation evidencing the City's Costs (the "**Final Pay Estimate**") to the City for final approval and authorization. The Final Pay Estimate, submitted and approved by the City, will be attached hereto as **Exhibit "B"** and incorporated herein by reference.
 - vi. Any and all extra work or materials not included in the Final Pay Estimate but needed to complete the New Line, which increase the City's Costs as shown on the Final Pay Estimate, must be agreed upon in writing by the City before the extra work is commenced. The Parties adopt the provisions of the North Central Texas Council of Government Public Works Standards, Edition 3, section 109 for the payment, calculation and method of determination for any extra work.
- b. The City's obligations with respect to the New Line are as follows:
- i. The City shall be responsible for payment of the Final Pay Estimate as determined in Section 2(a)(v) above and more particularly described and itemized in **Exhibit "B"**.
 - ii. Following completion of construction of the New Line and acceptance by the City, Daisy shall forward invoices evidencing the actual New Line Costs. The City shall reimburse Daisy the difference between the actual New Line Costs, including the costs of any extra materials approved by the City pursuant to Section 2(a)(vi) above, and the Standard Cost within fourteen (14) days of final acceptance of the New Line by the City. Daisy shall follow and provide all applicable documentation per the City's reimbursement policies and procedures.
 - iii. The City will inspect all construction activities related to the installation of the New Line.

3. PUBLIC INFRASTRUCTURE

- a. Public Infrastructure shall be designed to comply with the Governing Regulations, and no construction or installation of Public Infrastructure shall begin until plans and specifications have been approved by the City. All Public Infrastructure shall be constructed and installed in compliance with the Governing Regulations and shall be inspected by city inspectors to determine compliance. A pre-construction meeting will be required between Daisy, the City and the Contractor prior to any work being performed on site.

- b. Upon completion of construction of the New Line as required by this Agreement, Daisy shall deliver to the City a reproducible copy of as-built construction plans of the Public Infrastructure constructed or engineered by Daisy.

4. COUNTERPARTS

This Agreement may be executed in two or more identical counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5. TERMINATION

This Agreement may be terminated:

- a. Upon the written agreement of both Daisy and the City; or
- b. By written notice from either party (the "Non-Defaulting Party") upon the failure of the other party (the "Defaulting Party") to fulfill its obligations as set forth in this Agreement (a "Default") after the expiration of the notice and cure periods provided herein. The Non-Defaulting Party may not terminate this Agreement until after the expiration of ten (10) days from the Defaulting Party's receipt of written notice from the Non-Defaulting Party specifying the particulars in which the Defaulting Party has failed to perform its obligations under this Agreement, and the Defaulting Party's failure, prior to expiration of said ten (10) day period, to rectify the particulars specified in said notice of default. The right of either party to terminate this Agreement pursuant to (ii) of this Section is in addition to all other remedies provided by law, equity or otherwise to the same extent as if fully set forth herein.

6. NOTICES

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

Address for Notices:

CITY:

**City of Garland
800 Main Street
Garland, Texas 75040
(972) 205-2170**

with copy to:

DAISY:

**Daisy Brand
3636 Leon Road
Garland, Texas 75041
(972) 271-8260**

7. SEVERABILITY

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

8. WAIVER

Either the City or Daisy shall have the right to waive any requirement contained in this Agreement, which is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

9. ASSIGNABILITY

This Agreement may not be assigned by Daisy without the City's written consent, which consent shall not unreasonably be withheld.

10. CONSIDERATION

This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

11. GOVERNING LAW; VENUE

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

12. PARAGRAPH HEADINGS

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

13. BINDING EFFECT

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

14. EXHIBITS

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

15. ENTIRE AGREEMENT

It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally and no written modification of this Agreement shall be effective unless executed by both parties.

16. RELATIONSHIP OF PARTIES; NO THIRD-PARTY BENEFICIARIES

Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership

or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement. There are no third-party beneficiaries to this Agreement and no third-party beneficiaries are intended by implication or otherwise.

17. DISPUTE RESOLUTION

In accordance with the provisions of Subchapter I, Chapter 271, TEX. LOCAL GOV'T CODE, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this Agreement, the parties will first attempt to resolve the dispute by taking the following steps:

- a. A written notice (the "Notice of Dispute") substantially describing the nature of the dispute shall be delivered by the dissatisfied party (the "Dissatisfied Party") to the other party (the "Responding Party"), which Notice of Dispute shall request a written response (the "Response") which attempts to resolve the dispute; and
- b. If the Responding Party fails to deliver the Response within ten (10) days after its receipt of the Notice of Dispute, either party may proceed to institute any lawsuit or proceeding arising from this Agreement. If the Responding Party timely delivers the Response to the Dissatisfied Party and the Response does not reasonably resolve the dispute in the opinion of the Dissatisfied Party, the Dissatisfied Party shall deliver written notice to that effect (the "Notice of Continuing Dispute") to the Responding Party. Within thirty (30) days after the Responding Party's receipt of the Notice of Continuing Dispute, an individual appointed by the Dissatisfied Party having authority over the activities of the Dissatisfied Party and an individual appointed by the Responding Party having authority over the activities of the Responding Party shall meet in person at a time and location mutually acceptable to the parties in an effort to resolve the dispute. In the event that the Dissatisfied Party and the Responding Party are unable to agree on the time and location of such meeting, or after such meeting a dispute remains, either party may proceed to institute any lawsuit or proceeding arising from this Agreement.

18. AUTHORITY

The City represents and warrants that this Agreement has been approved by resolution duly adopted by the Garland City Council in accordance with all applicable public meeting and public notice requirements (including, but not limited to,

notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been authorized to do so. Daisy represents and warrants that this Agreement has been approved by appropriate action of Daisy and that the individual executing this Agreement on behalf of Daisy has been authorized to do so. Each assignee, lender, or successor who becomes a party to this Agreement represents and warrants that this Agreement has been approved by appropriate action of such assignee, lender, or successor and that the individual executing this Agreement on behalf of such assignee, lender, or successor has been authorized to do so.

19. GOVERNMENTAL POWERS; WAIVERS OF IMMUNITY

- a. By its execution of this Agreement, the City does not waive or surrender any of its governmental powers, immunities, or rights that would otherwise be available to it by law.
- b. Nothing in this Agreement is intended to delegate or impair the performance by the City of its governmental functions.

20. EFFECTIVE DATE

The effective date of this Development Agreement shall be the date on which this Agreement is approved by the Garland City Council.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

CITY:

DAISY :

By: _____
Name: William E. Dollar
Title: City Manager
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

DAISY:

STATE OF TEXAS

COUNTY OF DALLAS

BEFORE ME the undersigned authority, on this day personally appeared _____, known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2012

Notary Public in and for Dallas County, Texas
My commission expires: _____

CITY:

STATE OF TEXAS

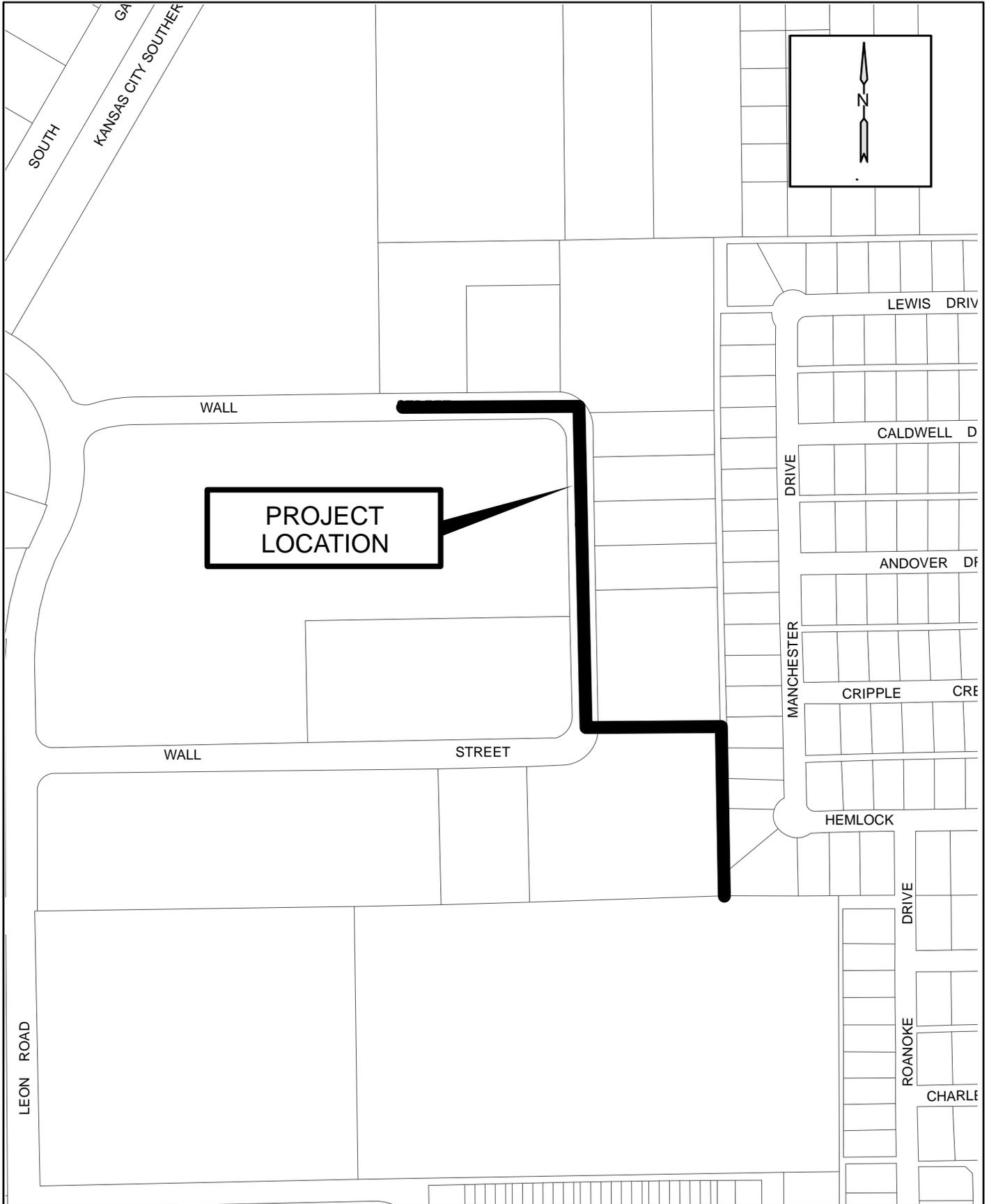
COUNTY OF DALLAS

BEFORE ME the undersigned authority, on this day personally appeared _____, known to me to be the person whose name subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2012

Notary Public in and for Dallas County, Texas
My commission expires: _____

Exhibit "A"



DAISY BRAND WASTEWATER IMPROVEMENTS

Scale: 1"=300'
File: DaisyBrand
Date: 07/26/2012
Drawn: jmk

SHEET
1
OF
1



PROPOSAL

REV. 2
7/30/12

PM Construction & Rehab, LLC

DATE JULY 11, 2012

131 N. Richey
Pasadena, TX 77506
Phone 713-921-2905 Fax 713-472-3262

TO: Daisy Brand

PROJECT: City of Garland, TX
Garland Road Business Park
8" to 12" Upsize Pipeburst

ESTIMATOR	JOB	LINE DEPTH	HOST PIPE MATERIAL	SITE CONDITIONS	PAYMENT TERMS	PRICING VALID UNTIL
DM	GARLAND	Up to 15' feet deep	PVC	ROW	Net 30	8/11/2012

ITEM NO.	EST. QTY.	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
SANITARY SEWER ITEMS					
1	1800	LF	Pipe bursting existing 8-inch sanitary sewer with a 12.75-inch O.D. SDR-19 IPS GRAY HDPE, Up to 15' depth, complete in place, includes Bond Costs	\$99.50	\$179,100.00
1A	1	LS	Trench Safety Implementation	\$5,000.00	\$5,000.00
2	6	EA	Service reconnections (by excavation), Up to 15' depth, 4" or PVC SDR-26, saddle tee, and including new cleanout at the right-of-way, Up to 8-linear feet, complete in place	\$1,500.00	\$9,000.00
3	30	LF	Additional length of service line beyond 8-linear feet, all depths, complete in place	\$30.00	\$900.00
4	1	LS	Mobilization	\$3,200.00	\$3,200.00
5	1	LS	Traffic Control Set up and Implement	\$2,000.00	\$2,000.00
6	1	EA	Obstruction Removal (IF NESSESARY)	\$1,500.00	\$1,500.00
7	50	SY	Remove and Replace existing concrete paving	\$125.00	\$6,250.00
				Subtotal Sanitary Sewer Items	\$206,950.00
				Taxes (8.25%)	\$17,073.38
				TOTAL	\$224,023.38

***Includes PRE & POST TV and BYPASS PUMPING

Quantity is based on information provided by the General Contractor and may vary based on field measurements to be verified by PM Construction.

If additional variations in field conditions are determined not noted on plans, PM will notify the General Contractor immediately in order to determine an appropriate course of action to resolve those discrepancies.

PM Construction reserves the right to modify prices with written notice at any time prior to commencing work or prior to the issuance of any binding contracts.

PM Construction will honor these prices through the term of our contract based on the issuance of the work at one time mobilization. Should PM have to mobilize repeatedly throughout the contract, an additional charge will apply per setup.

Proposal Exclusions:

Not included in the prices stated in this estimate are costs associated with the items listed below. These items, if needed or found to be applicable, would be provided by **PM Construction & Rehab LLC** at your additional cost; or would be furnished by others, at your direction, at no cost to **PM Construction & Rehab LLC**.

- Manhole rehabilitation, Manhole installation
- All permits or permissions which may be necessary for PM to perform work. (Federal, State, Local, etc.)
- Water source for the pipe bursting and CCTV operations. (water meter)

NO RETAINAGE SHOULD BE WITHHELD FROM CONTRACTOR PAYMENT

MATERIAL PRICE DIFFERNCE 8" TO 12"

ITEM NO.	EST. QTY.	UNIT	DESCRIPTION OF ITEM	UNIT PRICE	TOTAL AMOUNT
PIPE PRICING					
1	1800	LF	12.75" OD SDR-19 IPS GRAY HDPE	\$15.00	\$27,000.00
2	1800	LF	8.625" OD SDR-19 IPS GRAY HDPE	(\$10.00)	(\$18,000.00)
				Subtotal Sanitary Sewer Items	\$9,000.00
				Taxes	N/A
				TOTAL	\$9,000.00

THANK YOU FOR THE OPPORTUNITY TO BID THIS PROJECT



Policy Report

USE OF ESCROW ACCOUNTS TO MANAGE TMPA DEBT SERVICE

ISSUE

On July 12, 2012, the Texas Municipal Power Agency (TMPA) Board of Directors passed a resolution providing an option for TMPA Member Cities for the administration of funds received from Member Cities for the purpose of refunding or prepaying a portion of TMPA's outstanding revenue refunding bonds, Series 1993. TMPA is proposing the use of escrow accounts as an option to manage the Series 1993 debt service and seeks the approval of an agreement between the Member Cities to allow the use of the escrow accounts.

Garland Power & Light is seeking Council approval to authorize the City Manager, or his representative, to approve the TMPA proposal to use escrow accounts to manage TMPA debt service and approve the agreement between the Member Cities to allow the use of escrow accounts.

OPTIONS

- (1) Approve authorizing the City Manager, or his representative to execute the agreement among and between the City of Bryan, Texas, the City of Denton, Texas, the City of Garland, Texas, and the City of Greenville, Texas regarding the prepayment of fixed cost power purchase payments to be paid to the TMPA. If Council concurs, this item will be scheduled for formal consideration at the August 21, 2012 Regular Session.
- (2) Take no action.

RECOMMENDATION

Staff recommends that Council consider approval of option number one authorizing the City Manager, or his representative to approve the agreement between the Member Cities to allow the use of escrow accounts to manage TMPA debt service.

COUNCIL GOALS

Financially stable government with tax base that supports community needs
Defends rightful powers of municipalities

BACKGROUND

Historically, when the Member Cities of TMPA have wanted to modify TMPA's debt structure, they have had to act together, executing a single transaction. Since each City has differing financial needs, it is difficult to find a single transaction which meets every City's needs. One City may want to pay off TMPA's debt quickly, while others want to match the cost to the expected life of the plant.

TMPA Staff, working with the Member City Utility Directors, have developed a mechanism to let each City manage its portion of TMPA's debt service individually, without impacting the other Cities. This is done using escrow accounts restricted to pay an individual City's portion of its TMPA debt service. This essentially allows a City to make a prepayment, funded with cash or debt, which will generate a credit on its TMPA bill, while not affecting any other City's bill.

The primary benefit of the escrow accounts is flexibility. Each Member City can choose not to participate, participate funding with cash, or participate funding with debt and at differing funding levels. The escrow accounts are needed because otherwise, if a City gave TMPA funds to pay down debt, the other Member Cities would get an interest in the funds appropriate to their ownership share. The escrow accounts allow TMPA to segregate those funds for the benefit of the Cities contributing the money.

CONSIDERATION

TMPA Bond Counsel has advised that an agreement between the Member Cities is required to allow use of the escrow accounts. One "no" from any Member City eliminates the possibility of using this concept for all the Cities.

All the Utility Directors of the Member Cities support the agreement. The City Attorneys and/or Bond Counsel for each Member City have reviewed the agreement and been given an opportunity to comment. Their comments were integrated into the agreement.

At this time, GP&L is not planning to exercise the refunding or prepayment options. However, this proposal provides GP&L the flexibility to be able to utilize these options should financial or economic opportunities or circumstances lend themselves to exercising them.

The mechanics of the escrow accounts are as follows:

1. TMPA will establish an escrow account for each City that wishes to participate. That account will be restricted to pay that City's portion of TMPA's debt service.
2. Member Cities can use the escrow accounts to provide funds to prepay their debt service with either cash, locally issued debt, or not participate at all. Using locally

issued debt would allow the Member Cities to restructure TMPA's debt onto their books in a manner that best suits their business needs.

3. TMPA would set rates for the year without taking into account any potential receipt from the escrow accounts.
4. For the City(s) funding an escrow account, a credit would be calculated against the TMPA demand bill (fixed costs), generally 1/12 of the deposit amount monthly for the fiscal year the funds were deposited to offset debt service.
5. TMPA will record the receipt of cash in the escrow accounts as a deferred revenue and recognize that revenue when funds are used to pay debt service.

ATTACHMENTS

1. TMPA Board Resolution Number 2012-7-8 dated July 12, 2012.
2. City Prepayment Agreement.

Submitted By:

Jeff Janke
GP&L Managing Director

Date: July 30, 2012

Approved By:

William E. Dollar
City Manager

Date: July 30, 2012

AGREEMENT AMONG AND BETWEEN THE CITY OF BRYAN, TEXAS, THE CITY OF DENTON, TEXAS, THE CITY OF GARLAND, TEXAS, AND THE CITY OF GREENVILLE, TEXAS REGARDING PREPAYMENT OF FIXED COST POWER PURCHASE PAYMENTS TO BE PAID TO THE TEXAS MUNICIPAL POWER AGENCY

WHEREAS, this Agreement (this "Prepayment Agreement") is made and entered into as of the Effective Date provided below by, between, and among the City of Bryan, Texas, the City of Denton, Texas, the City of Garland, Texas and the City of Greenville, Texas (collectively, the "Cities"), each in the capacity of a member city of the Texas Municipal Power Agency (the "Agency"); and

WHEREAS, the Agency and each of the Cities, have entered into a Power Sales Contract dated the 1st day of September, 1976, as amended (the "Power Sales Contract"), under which the Agency is obligated to sell electric energy to the Cities, and each City is unconditionally obligated to pay to the Agency, without offset or counterclaim and without regard to whether energy is delivered by the Agency to the respective City or Cities or whether or not any City or Cities actually use energy from the Agency's generating facilities, the percentage of the Agency's Annual System Costs (as defined in the Power Sales Contract), including the payment of the Debt Service Requirements (as defined in the Power Sales Contract) which may from time to time exist; and

WHEREAS, the Agency has adopted Resolution No. 2012-7-8 (the "Agency Resolution") that sets forth options for the Cities to prepay all or a portion of the contractual obligations of the Cities pertaining to the Debt Service Requirements component of the Agency's rates and charges for the purchase of power in accordance with the Power Sales Contract (the "Contractual Obligations"), which relate to the Agency's Revenue Refunding Bonds, Series 1993 (the "Series 1993 Bonds"); and

WHEREAS, the procedures set forth in the Agency Resolution permit each City to use moneys derived from proceeds of a series of City debt issued to discharge all or a portion of its Contractual Obligations (the "City Bond Proceeds") or from a funding source other than proceeds of such City debt (the "City Available Funds") for the purpose of prepaying all or a portion of its Contractual Obligation; and

WHEREAS, the Agency Resolution provides for the Agency to establish uniform rates and charges for the Cities and to allocate a prepayment credit with respect to such rates and charges (the "Payment Credit") to any City in the amount of the City Bond Proceeds or City Available Funds that are deposited into an escrow account, plus interest earnings from the deposit of such funds in the escrow account, which deposit is dedicated to paying the respective City's Contractual Obligations pertaining to the Series 1993 Bonds; and

WHEREAS, in accordance with the Agency Resolution, the Payment Credit will be calculated with respect to a portion of the City's power purchase payments; and

WHEREAS, this Prepayment Agreement is entered into for the purpose of establishing the agreement of the Cities with respect to the Payment Credit.

NOW THEREFORE, in consideration of the foregoing, the mutual agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Member City agrees as follows:

Section 1. *Agreements of Cities.* Each City acknowledges and agrees with respect to the Agency Resolution and the transactions provided for therein, and without regard to whether a City elects to use a prepayment option provided therein, as follows:

(a) That a City making a deposit of City Bond Proceeds or Available City Funds in accordance with the Agency Resolution shall be entitled to a Payment Credit determined by the Agency in the manner provided in the Agency Resolution.

(b) That the provision by the Agency to one or more Cities of a Payment Credit (whether for the year in which the deposit is made by a City or in a subsequent year, in accordance with the terms of the Agency Resolution) does not conflict with Section 7 of the Power Sales Contract or any other provisions thereof that require the Agency to establish uniform and non-discriminatory, fair and reasonable and adequate rates and charges for the provision of power and energy to the Cities.

(c) That proceedings of the Agency with respect to the adoption of the Agency Resolution by the Agency have been provided to the Cities, and each City will not contest or challenge the right of the Agency to adopt or administer the Agency Resolution or contest or challenge the adoption of the Agency Resolution as being in any way an improper or unlawful act of the Agency in accordance with applicable laws pertaining to the Agency and the Power Sales Contract.

Section 2. *Severability.* If any term or provision of this Prepayment Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Prepayment Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Prepayment Agreement a legal, valid or enforceable term or provision as similar as possible to the term or provision declared illegal, invalid or unenforceable.

Section 3. *Waiver.* A party shall have the right to waive any requirement contained in this Prepayment Agreement that is intended for the waiving party's benefit, but, except as otherwise provided herein, such waiver shall be effective only if in writing executed by the party for whose benefit such requirement is intended pursuant to an authorizing resolution adopted by the governing body of the respective party. No waiver of any breach or violation of any term of this Prepayment Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation.

Section 4. *Governing Law.* This Prepayment Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Prepayment Agreement are performable in Travis County, Texas such that exclusive venue for any action arising out of this Prepayment Agreement shall be in Travis County, Texas.

Section 5. *Paragraph Headings; Construction.* The paragraph headings contained in this Prepayment Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. The parties have all participated in the negotiation and preparation of this Prepayment Agreement, have obtained and considered the advice of counsel in its preparation, and accordingly agree that this Prepayment Agreement shall not be construed either more or less strongly against or for any party.

Section 6. *Binding Effect.* Except as limited herein, the terms and provisions of this Prepayment Agreement shall be binding upon and inure to the benefit of the Cities and their respective heirs, devisees, personal and legal representatives, successors and assigns.

Section 7. *Gender.* Within this Prepayment Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

Section 8. *Counterparts.* This Prepayment Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 9. *Entire Prepayment Agreement.* It is understood and agreed that this Prepayment Agreement contains the entire agreement between and among the Cities and supersedes any and all prior agreements, arrangements or understandings between or among the Cities relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Prepayment Agreement exist. This Prepayment Agreement cannot be changed or terminated orally and no written modification of this Prepayment Agreement shall be effective unless executed by each and all of the Cities pursuant to an authorizing resolution adopted by the governing body of the respective party.

Section 10. *Authority to Execute.* Each party mutually represents and warrants to each and all of the other Cities that the individual signing this Prepayment Agreement on its behalf has complete and full authority to act on behalf and to fully bind that party to the terms of this Prepayment Agreement.

[Execution Pages Follow]

EXECUTED on the dates indicated below but deemed to be effective as of the date this Prepayment Agreement is signed by the last party to do so (the "Effective Date").

CITY OF BRYAN:

By: _____
Name: _____
Title: _____
Date: _____

CITY OF DENTON:

By: _____

Name: _____

Title: _____

Date: _____

CITY OF GARLAND:

By: _____

Name: _____

Title: _____

Date: _____

CITY OF GREENVILLE:

By: _____
Name: _____
Title: _____
Date: _____

RESOLUTION NO. 2012-7-8

RESOLUTION BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY ("AGENCY") PROVIDING COMMITMENTS OF THE AGENCY WITH RESPECT TO THE ADMINISTRATION OF FUNDS RECEIVED FROM MEMBER CITIES FOR THE PURPOSE OF REFUNDING OR PREPAYING A PORTION OF THE AGENCY'S OUTSTANDING REVENUE REFUNDING BONDS, SERIES 1993; SETTING FORTH EXPECTATIONS AND CONDITIONS WITH REGARD TO RECEIPT OF FUNDS FROM THE MEMBER CITIES FOR SUCH PURPOSES, INCLUDING AUTHORIZING PAYMENT CREDITS TO BE EARNED BY MEMBER CITIES IN CONNECTION WITH DEPOSITS MADE WITH RESPECT TO THE PAYMENT OF THE AFORESAID SERIES 1993 BONDS; AUTHORIZING AND DIRECTING THAT ARRANGEMENTS BE MADE BY THE AGENCY FOR THE USE OF AMOUNTS RECEIVED FROM THE MEMBER CITIES FOR SUCH PURPOSES; PROVIDING CONTRACTING AUTHORITY TO THE GENERAL MANAGER AND OTHER AUTHORIZATIONS FOR SUCH PURPOSES; AND APPROVING OTHER MATTERS RELATING THERETO

WHEREAS, the Texas Municipal Power Agency has heretofore been created and established as a joint powers agency, a municipal corporation, a political subdivision of the State of Texas (the "State") and a body politic and corporate, pursuant to the provisions of V.T.C.A., Utilities Code, Chapter 163, Subchapter C (the "Act"); and

WHEREAS, in accordance with the Act and other applicable law, the Agency is authorized to incur indebtedness for, among other purposes, financing and refinancing electric generation and transmission facilities and related infrastructure; and

WHEREAS, the Agency and each of its member cities, being the Cities of Bryan, Denton, Garland and Greenville (the "Cities"), have entered into a Power Sales Contract dated the 1st day of September, 1976, as amended (the "Power Sales Contract"), under which the Agency is obligated to sell electric energy to the Cities, and each City is unconditionally obligated to pay to the Agency, without offset or counterclaim and without regard to whether energy is delivered by the Agency to the respective City or Cities or whether or not any City or Cities actually use energy from the Agency's generating facilities, the percentage of the Agency's Annual System Costs (as defined in the Power Sales Contract), including the payment of the Debt Service Requirements (as defined in the Power Sales Contract) which may from time to time exist, which are at present the percentages set forth below:

City of Bryan, Texas:	21.7%
City of Denton, Texas:	21.3%
City of Garland, Texas:	47.0%
City of Greenville, Texas:	10.0%

Such payment percentages are hereinafter referred to as the "Contract Percentages;" and

WHEREAS, the Agency has its Revenue Refunding Bonds, Series 1993 outstanding in the aggregate principal amount \$150,713,448.95, which were issued in the form of capital appreciation bonds that have an aggregate maturity value of \$575,805,000 (the "Series 1993 Bonds"), and which have been issued to refund previously issued bonds by the Agency that were issued to finance improvements to the Agency's electric and transmission system (the "System Improvements"); and

WHEREAS, the Series 1993 Bonds are "Debts" of the Agency within the meaning of the Power Sales Contract and represent a portion of the contractual obligations of the Cities in accordance with the Power Sales Contract; and

WHEREAS, the Cities have collectively advised the Agency that it would be beneficial to the Cities if the Agency would provide an undertaking to apply any funds that the Cities might provide to the Agency to prepay all or part of their pro rata shares of the Series 1993 Bonds so that each City may individually determine the most advantageous manner of prepaying or restructuring the portion of the contractual obligations of the Cities represented by the Series 1993 Bonds; and

WHEREAS, the Agency is authorized by law and contract to administer funds paid for the foregoing purposes; and

WHEREAS, under the provisions of Chapter 1207, Texas Government Code, as amended ("Chapter 1207"), the contractual obligation to the Agency of each City under the Power Sales Contract for the payment of the Agency's Debt constitutes an "obligation" of each City, as such term is used in Chapter 1207 (and hereinafter referred to as the "Contractual Obligation" of each City); and

WHEREAS, in accordance with the provisions of Chapter 1207, and other laws of the State, the Cities are authorized to issue refunding bonds to discharge their respective Contractual Obligations; and

WHEREAS, in addition to the use of City Bond Proceeds (as defined below) to prepay their respective Contractual Obligations, the Cities may have other City Available Funds (as defined below) that may be used for such purpose; and

WHEREAS, for the purposes of facilitating the prepayment or discharge of the Contractual Obligations, the Agency's Board of Directors (the "Board") has determined to memorialize herein and to make commitments to the Cities that the Board understands will be relied upon by the Cities with respect to certain arrangements for the application of the funds received from the Cities for the purposes set forth above.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY:

Section 1. Incorporation of Recitals, Defined Terms and Exhibits. The Board hereby incorporates the recitals set forth in the preambles hereto as if set forth in full at this place and further finds and determines that said recitals are true and correct. In addition to the defined terms set forth below, those terms defined in the preambles hereto shall have the meanings given to such terms in the preambles.

Attached hereto as Exhibit A is a schedule of the Series 1993 Bonds that may be "advance refunded" within the meaning of Federal tax laws relating to the treatment of interest on bonds such as the Series 1993 Bonds as exempt from Federal income taxation (the "Advance Refundable 1993 Bonds"). Exhibit A is attached for purposes of Section 2(e) hereof. Attached hereto as Exhibit B is a schedule showing the total monthly amounts to be deposited to the Bond Fund (the "Bond Fund") being maintained by the Agency in accordance with the resolution pursuant to which the Series 1993 Bonds were authorized to be issued (the "1993 Resolution"). Exhibit B sets forth the monthly schedule for scheduled deposits made by the Agency to the Bond Fund for the payment of the Series 1993 Bonds that mature on and after September 1, 2013. Exhibit B is attached for purposes of illustration so that each City may apply their respective Contract Percentage to such payments to determine the maximum amount that may be prepaid by each City in accordance with Section 3 hereof.

Section 2. Use of City Bond Proceeds. The Board hereby commits to and agrees for the benefit of a City making a payment to it derived from proceeds ("City Bond Proceeds") of City debt ("City Bonds") issued to discharge all or a portion of such City's Contractual Obligation pertaining to the Series 1993 Bonds to administer and apply the City Bond Proceeds in the manner set forth in this Section 2. In accordance with Section 4 below, the City making a deposit in accordance with this Section 2 will receive a credit with respect to a portion of such City's power purchase payments pertaining to the payment of the Series 1993 Bonds (the "Payment Credit").

(a) With respect to each deposit of City Bond Proceeds, the Agency will establish an escrow agreement (each, a "Bond Escrow Agreement") for that deposit with a bank having an office in the State of Texas that is authorized by Chapter 1207 to serve as an escrow agent for the Series 1993 Bonds. A separate Bond Escrow Agreement will be established by the Agency with respect to each deposit made by a City from proceeds of each issue of City Bonds.

(b) Amounts deposited to the escrow fund established pursuant to a Bond Escrow Agreement (the "Bond Escrow Fund") will be applied pursuant to the Bond Escrow Agreement to discharge an amount of Series 1993 Bonds designated in writing by a City, and with respect to the stated maturity or maturities of the Series 1993 Bonds specified in writing to the Agency by the City (such Series 1993 Bonds are the "Designated Bonds").

(c) Deposits made by a City in accordance with this Section 2 shall be made in amounts and be applied to pay the Designated Bonds in integral multiples of \$5,000 of Maturity Value of the Designated Bonds. For purposes of this resolution, "Maturity Value" means with respect to each maturity of the Series 1993 Bonds the accreted value

of the principal amount of plus interest thereon compounded to the maturity date thereof, being the amount due for payment on the maturity date of such maturity of the Series 1993 Bonds.

(d) Such deposit of City Bond Proceeds made in accordance with this Section 2 may be made as a "gross defeasance" or as a "net defeasance" of the Maturity Value of the Designated Bonds, as determined by a City making a deposit in accordance with this Section 2. For purposes of this Resolution, a "gross defeasance" shall mean a deposit made in the full Maturity Value of the Designated Bonds, exclusive of any investment earnings received from such deposit, and a "net defeasance" shall mean a deposit made of cash or eligible investments described in clause (g) in an amount which together with the interest earnings on such investments and any cash balances held in escrow will be sufficient to pay the Maturity Value of the Designated Bonds at the maturity date thereof

(e) A City may not designate a portion of the Series 1993 Bonds as a Designated Bond if it exceeds the product of the Maturity Value coming due on the specified stated maturity date and the Contract Percentage of the City. With respect to a deposit to a Bond Escrow Fund made 91 days or more before the stated maturity of a Designated Bond, only a City's pro rata share of Advance Refundable Series 1993 Bonds as shown in Exhibit A may be specified by the City as Designated Bonds.

(f) Other than the Payment Credit, a City making a deposit in accordance with this Section 2 to a Bond Escrow Fund will not be entitled to withdraw any amount deposited to a Bond Escrow Fund or to otherwise receive an offset for amounts owing to the Agency. Deposits received by the Agency in accordance with this Section 2 will be treated as revenues of the Agency for purposes of accounting and bond covenant compliance in the fiscal year of the Agency ("Fiscal Year") that the funds are used to pay debt service on the Series 1993 Bonds.

(g) City Bond Proceeds shall be invested at the direction of the City making a deposit. All deposited amounts shall be invested in U.S. Treasury State and Local Government Series securities ("SLGS"), if available for purchase from the U.S. Treasury, or if not available, in other U.S. Treasury securities that are described in clause (i) of the definition of "Investment Securities" in the 1993 Resolution.

(h) All investments of City Bond Proceeds will be made in a manner determined by the Agency to be consistent with the 1993 Resolution, Chapter 1207 and Federal tax law applicable to the City Bonds and to the Series 1993 Bonds. The Agency may rely on the advice of its bond counsel for such purpose.

(i) The Agency will contract with the escrow agent to remit any excess amount remaining in a Bond Escrow Fund to the City that made the deposit upon the final payment of the last maturity of the Designated Bonds from proceeds administered pursuant to the respective Bond Escrow Agreement.

(j) If a deposit is made by a City as a net defeasance of Designated Bonds, for the benefit of the Agency and the benefit of the City making the deposit, the Agency shall obtain a report (a "Report") from a certified public accountant (a "CPA") with respect to the sufficiency of the amount deposited to accomplish the legal defeasance of the Designated Bonds and with respect to the yield on the investments made with the City Bond Proceeds, the City Bonds and the Designated Bonds. If a deposit is made by a City as a gross defeasance of Designated Bonds, for the benefit of the Agency and the benefit of the City making the deposit, the Agency shall obtain (i) a certificate from the Agency's financial advisor or the paying agent/registrars for the Designated Bonds with respect to the sufficiency of the amount deposited to discharge the Designated Bonds or (ii) at the request of the City or upon the sole initiative of the Agency, a Report.

(k) All costs charged by the escrow agent for the administration of a Bond Escrow Agreement, the costs of any CPA for a Report and of any costs associated with the investment of the City Bond Proceeds in securities other than SLGS shall be paid by the City making a deposit in accordance with this Section 2.

(l) To permit the Agency reasonable time to establish and provide for the administration of Bond Escrow Agreements, no deposit may be made in accordance with this Section 2 unless the City has provided the Agency with not less than 45 days' notice of its intent to make the deposit; provided that at the sole discretion of the Agency, the Agency may permit a deposit to be made in accordance with this Section 2 upon fewer day's notice to the Agency.

Section 3. Use of City Available Funds. The Board hereby commits to and agrees for the benefit of a City making a payment derived from a funding source other than proceeds of City Bonds (or otherwise applying funds in accordance with this Section 3) (the "City Available Funds") for the purpose of prepaying all or a portion of its Contractual Obligation pertaining to the Series 1993 Bonds to administer and apply the City Available Funds in the manner set forth in this Section 3. The Agency understands that a City may use funds in a rate stabilization account, amounts to be rebated periodically to the City by the Agency (the "Rebated Funds") or other non-City Bond Proceeds to make the deposits governed by this Section 3. City Available Funds (i) will not include any amount required to be paid to the Agency by a City as a power purchase payment due at the time of such deposit and (ii) will be an additional amount and a prepayment of a portion of a future payment of all or part of the City's Contractual Obligation pertaining to the Series 1993 Bonds (being the Debt Service component of the payment, and not the Operating and Maintenance Expenses). In accordance with Section 5 below, the City making a deposit of City Available Funds, including directing the use of Rebated Funds, in accordance with this Section 3 will receive a Payment Credit.

(a) The Agency will establish an escrow agreement with a bank having an office in the State of Texas that is authorized by Chapter 1207 to serve as an escrow agent for the Series 1993 Bonds for any City that advises the Agency in writing that it will make deposits of City Available Funds with it for the purpose of receiving a Payment Credit. To the extent practicable, the Agency will establish and maintain a single escrow

agreement for each City making a deposit of City Available Funds in accordance with this Section 3 (each such agreement is hereinafter referred to as an "Available Funds Escrow Agreement" and each escrow fund thereby established is an "Available Funds Escrow Fund").

(b) A City may make a single lump sum deposit to an Available Funds Escrow Fund during each Fiscal Year from City Available Funds to be applied as a Payment Credit, as provided in this Section 3 and in Section 5. Any lump sum deposit in accordance with this Section 3(b) may be designated by the City as a Payment Credit in the Fiscal Year in which the deposit is received by the Agency or in a future Fiscal Year. To make a designation, the City shall specify to the Agency at the time of such deposit the Fiscal Year and the month or months in that Fiscal Year that such deposit shall be applied. Amounts so designated by a City shall be released to the Bond Fund in accordance with such designation. At the sole discretion of the Agency, the Agency may permit more than one lump sum payment to be made by a City in a Fiscal Year.

(c) A City may make periodic deposits of Rebated Funds or other City Available Funds to an Available Funds Escrow Fund to be applied as a Payment Credit, as provided in this Section 3 and in Section 5. Periodic deposits in accordance with this Section 3(c) may be designated by the City for application as a Payment Credit in a future Fiscal Year or Fiscal Years, but not in the same Fiscal Year in which received. Amounts so designated for future Fiscal Years shall be released to the Bond Fund for application in the designated Fiscal Year or Fiscal Years in accordance with such designation.

(d) A City may make periodic deposits for application in the then current Fiscal Year, but such deposits will be deposited into the Bond Fund, not the Available Funds Escrow Fund, and the City will receive an offset for its current monthly payment amount equal to such Bond Fund deposits; such deposits will be administered like other, regularly scheduled power purchase payments, and will not be governed by the commitments set forth in this Resolution.

(e) Amounts deposited to an Available Funds Escrow Fund will be used pursuant to the Available Funds Escrow Agreement solely for the payment of a portion of the Series 1993 Bonds. Other than the Payment Credit, a City directing a deposit to an Available Funds Escrow Fund will not be entitled to withdraw any amount deposited to an Available Funds Escrow Fund or to otherwise receive an offset for amounts owing to the Agency. Deposits received by the Agency and administered pursuant to an Available Funds Escrow Agreement in accordance with this Section 3 will be treated as revenues of the Agency for purposes of accounting and bond covenant compliance in the Fiscal Year that the funds are released to the Bond Fund for purposes of paying debt service on the Series 1993 Bonds due for payment in that Fiscal Year.

(f) A City may make one or more deposits to an Available Funds Escrow Fund subject to the provisions of this Section 3. At the time of each such deposit, the City shall

designate in writing the payment date(s) (day, month and year) and amount against which deposit shall be credited (the "Specified Payment").

(g) Deposits by a City to an Available Funds Escrow Fund in accordance with this Section 3 shall each be made in an integral multiple of \$1. Each Specified Payment shall be designated in writing by the City. Each Specified Payment shall be all or part of the City's pro rata share of the monthly deposit to the Bond Fund as set forth in Exhibit B. The Agency shall periodically provide each City making a deposit to an Available Funds Escrow Fund with an accounting showing the amount and timing of the Payment Credit due to the City as a result of each designated deposit to an Available Funds Escrow Fund.

(h) To the extent practicable, deposits of City Available Funds to an Available Funds Escrow Fund shall be invested at the direction of the Agency. All investments of City Available Funds deposited to an Available Funds Escrow Fund will be made in a manner determined by the Agency to be consistent with the 1993 Resolution and State and Federal tax law applicable to the Series 1993 Bonds. The Agency may rely on the advice of its bond counsel for such purpose. As soon as practicable following the close of each Fiscal Year, but not later than 120 days following the close of the Fiscal Year, the Agency will provide an accounting to each City having previously made a deposit to an Available Funds Escrow Fund of the investment earnings in the respective Available Funds Escrow Fund, and an additional Payment Credit equal to the investment earnings (the "Investment Credit") shall be given in such amount against a payment date obligation mutually agreed to by the Agency and the respective City. Any Investment Credit due to a City following the final payment for the Series 1993 Bonds will be remitted to the City by the Agency. Any City, without regard to whether it has made a deposit, may request, and upon such request shall receive, a copy of an annual accounting provided to any depositing City by Agency.

(i) All costs associated with the administration of the Available Funds Escrow Agreements pertaining to the deposit of City Available Funds in accordance with this Section 3 will be borne by the Agency.

(j) To permit the Agency reasonable time to establish and provide for the administration of the Available Funds Escrow Agreements, no deposit may be made or series of deposits begun unless the City has provided the Agency with not less than 45 days' notice of its intent to make the deposit; provided that at the sole discretion of the Agency, the Agency may permit a deposit to be made in accordance with this Section 3 upon fewer days' notice to the Agency.

Section 4. Payment Credits associated with City Bond Proceeds. Each City depositing City Bond Proceeds into a Bond Escrow Fund in accordance with Section 2 shall receive a Payment Credit (i) in the amount of the deposit if such deposit is a gross defeasance deposit or (ii) in the amount of the Designated Bonds if such deposit is a net defeasance deposit. The Agency will adopt uniform rates and charges for each City for the provision of power and energy and without regard to any deposit made or expected to be made by one or more Cities in

accordance with Section 2, and the Agency will adopt and implement such rates at such times as the Board determines to be necessary for the proper operation of the Agency, and to meet the financial covenants and undertakings of the Agency to bondholders, credit providers and other creditors. The Payment Credit will be applied against the monthly power purchase payment owing to the Agency in accordance with the then current rates and charges of the Agency in level monthly amounts amortized over the months of the Fiscal Year of the stated maturity of the Series 1993 Bonds that the City designates as the Designated Bond, or level payments over the remaining months in the then current Fiscal Year if the stated maturity for such Fiscal Year is designated as the Designated Bond.

Section 5. Payment Credits associated with City Available Funds. Each City depositing City Available Funds into an Available Funds Escrow Fund in accordance with Section 3 shall receive a Payment Credit in the amount of the deposit, plus the amount of any Investment Credit. The Agency will adopt uniform rates and charges for each City for the provision of power and energy and without regard to any deposit made or expected to be made by one or more Cities in accordance with Section 3, and the Agency will adopt and implement such rates at such times as the Board determines to be necessary for the proper operation of the Agency, and to meet the financial covenants and undertakings of the Agency to bondholders, credit providers and other creditors. The Payment Credit of each City will be applied in amounts equal to the cumulative amounts of the deposits to the applicable Available Funds Escrow Fund, and the Payment Credit will be applied against the monthly power purchase payment owing to the Agency in accordance with the then current rates and charges of the Agency and in accordance with the Specified Payments designated by the depositing City. The Investment Credit shall be applied in accordance with the then current rates and charges of the Agency and in accordance with Section 3(h).

Section 6. Contracting and Investment Authority. The Board hereby authorizes the General Manager of the Agency to enter into one or more agreements, including Bond Escrow Agreements and Available Funds Escrow Agreements, for the purpose of administering the City Bond Proceeds and City Available Funds deposited with the Agency by each of the Cities for the purposes set forth herein. In addition, the General Manager of the Agency or his designee or designees (the "Authorized Persons") are authorized to purchase such securities or otherwise invest funds deposited to the Bond Escrow Fund or Available Funds Escrow Fund, as may be necessary or appropriate for the purposes hereof, subject to the conditions of Sections 2 and 3 hereof. The Authorized Persons are further authorized to obtain such funding sufficiency letters, certificates or reports as may be needed to demonstrate the legal defeasance of the Series 1993 Bonds in accordance with Section 2 hereof, and the Authorized Persons are authorized to provide financial information to the Cities as they may require in connection with covenants and undertakings made in connection with any City Bonds issued for the purpose of providing the City Bond Proceeds. The General Manager is further authorized to enter into undertakings and agreements with the Cities, one or more, as he may deem necessary for the purpose of accomplishing the purposes of this Resolution, and to make all other arrangements as he may deem necessary to implement the purposes of this Resolution. The General Manager, the Controller of the Agency, and all other officers and employees of the Agency, and the financial

advisor and bond counsel of the Agency, and each of them, are authorized and directed to take all necessary actions to accomplish the purposes of this Resolution.

Section 7. Agency Agreements Relative to Tax-Exempt Bonds. The Board acknowledges that a City may issue refunding bonds to generate the City Bond Proceeds, and the interest on such City Bonds may be tax-exempt under the Federal income tax laws (the "Tax-Exempt City Bonds"). Moreover, the Board acknowledges that in connection with the issuance of the Tax-Exempt City Bonds, each City may covenant (the "City Bond Covenants") with the holders of the Tax-Exempt City Bonds that the System Improvements and proceeds of such bonds will be used in a manner which assures that the Tax-Exempt City Bonds will qualify as obligations within the meaning of section 103 of the Internal Revenue Code. The Agency agrees not to use nor permit the use of the System Improvements or the City Bond Proceeds in a manner which it knows or should know would result in violation of the City Bond Covenants. Moreover, in furtherance thereof, if the Agency is notified by a City that its Tax-Exempt City Bonds have been selected for audit by the Internal Revenue Service, then the Agency agrees to provide or cause to be provided to the City any information which is in its possession or in the possession of an entity acting on its behalf regarding the use of the City Bond Proceeds or the System Improvements as may be needed by the City to timely respond to questions posed by the Internal Revenue Service.

Section 8. Condition to Effectiveness of this Resolution. This Resolution shall not be implemented until such time, if ever, that the Cities enter into an agreement approved by the appropriate governing body or bodies of each City, acknowledging and agreeing to the terms hereof.

Passed and approved this the 12th day of July, 2012.



President, Board of Directors
Texas Municipal Power Agency

Attest:



Secretary
Texas Municipal Power Agency

(Agency Seal)



Exhibit A

The schedule of the Series 1993 Bonds that may be "advance refunded" within the meaning of Federal tax laws

<u>Due</u>	<u>Series 1993 CABS Total P&I</u>	<u>% of 1993 CABS eligible to be advance refunded 52.23%</u>
9/1/2013	101,290,000	52,903,767
9/1/2014	112,335,000	58,672,571
9/1/2015	120,725,000	63,054,668
9/1/2016	120,725,000	63,054,668
9/1/2017	120,730,000	63,057,279
	<u>\$ 575,805,000</u>	<u>\$ 300,742,952</u>

Monthly Amounts Deposited in the Bond Fund
Series 1993 Bonds

Exhibit B

<u>FY13</u>		<u>FY14</u>		<u>FY15</u>		<u>FY16</u>		<u>FY17</u>		<u>Grand Total</u>
Oct-12	\$ 8,440,833 *	Oct-13	\$ 9,361,250	Oct-14	\$ 10,060,417	Oct-15	\$ 10,060,417	Oct-16	\$ 10,060,833	\$ 47,983,750
Nov-12	\$ 8,440,833	Nov-13	\$ 9,361,250	Nov-14	\$ 10,060,417	Nov-15	\$ 10,060,417	Nov-16	\$ 10,060,833	\$ 47,983,750
Dec-12	\$ 8,440,833	Dec-13	\$ 9,361,250	Dec-14	\$ 10,060,417	Dec-15	\$ 10,060,417	Dec-16	\$ 10,060,833	\$ 47,983,750
Jan-13	\$ 8,440,833	Jan-14	\$ 9,361,250	Jan-15	\$ 10,060,417	Jan-16	\$ 10,060,417	Jan-17	\$ 10,060,833	\$ 47,983,750
Feb-13	\$ 8,440,833	Feb-14	\$ 9,361,250	Feb-15	\$ 10,060,417	Feb-16	\$ 10,060,417	Feb-17	\$ 10,060,833	\$ 47,983,750
Mar-13	\$ 8,440,833	Mar-14	\$ 9,361,250	Mar-15	\$ 10,060,417	Mar-16	\$ 10,060,417	Mar-17	\$ 10,060,833	\$ 47,983,750
Apr-13	\$ 8,440,833	Apr-14	\$ 9,361,250	Apr-15	\$ 10,060,417	Apr-16	\$ 10,060,417	Apr-17	\$ 10,060,833	\$ 47,983,750
May-13	\$ 8,440,833	May-14	\$ 9,361,250	May-15	\$ 10,060,417	May-16	\$ 10,060,417	May-17	\$ 10,060,833	\$ 47,983,750
Jun-13	\$ 8,440,833	Jun-14	\$ 9,361,250	Jun-15	\$ 10,060,417	Jun-16	\$ 10,060,417	Jun-17	\$ 10,060,833	\$ 47,983,750
Jul-13	\$ 8,440,833	Jul-14	\$ 9,361,250	Jul-15	\$ 10,060,417	Jul-16	\$ 10,060,417	Jul-17	\$ 10,060,833	\$ 47,983,750
Aug-13	\$ 8,440,833	Aug-14	\$ 9,361,250	Aug-15	\$ 10,060,417	Aug-16	\$ 10,060,417	Aug-17	\$ 10,060,833	\$ 47,983,750
Sep-13	\$ 9,361,250	Sep-14	\$ 10,060,417	Sep-15	\$ 10,060,417	Sep-16	\$ 10,060,833	Sep-17		\$ 39,542,917
Total	\$ 102,210,413	Total	\$ 113,034,167	Total	\$ 120,725,004	Total	\$ 120,725,420	Total	\$ 110,669,163	\$ 567,364,167

* The first budgeted monthly payment into the bond fund is made on September 25, 2012

\$ 8,440,833 *

\$ 575,805,000



Policy Report

SALE OF TAX FORECLOSED CITY PROPERTY

ISSUE

Consider authorizing the sale of six (6) tax foreclosed vacant lots in the City of Garland to home builders working in partnership with the Housing and Community Services Department for the development of single-family homes.

1. 832 Woodland
2. 152 Sendero
3. 1005 Birchwood
4. 3123 Watson
5. 227 Southwood
6. 104 McKinley

OPTIONS

1. Authorize the sale.
2. Do not authorize the sale.

RECOMMENDATION

Authorize the sale of properties to private home builders for the construction of single-family affordable homes. A resolution has been placed on the August 7, 2012 agenda for consideration.

COUNCIL GOAL

Sustainable Quality Development and Redevelopment
Financially Stable Government with Tax Base that Supports Community Needs
Safe, Family-Friendly Neighborhoods

BACKGROUND

Vacant lots are periodically struck off to the City of Garland pursuant to delinquent tax suits filed under Chapter 34 of the Property Tax Code. Staff is proposing to utilize these City-owned tax foreclosed properties as a mechanism for the construction of new

affordable housing. The Housing and Community Services Department will partner with homebuilders and oversee the development of single-family housing on these lots.

CONSIDERATIONS

1. The City's Real Estate Management Office (REMO) has completed a comprehensive inventory of City-owned property, and from that inventory the Department has identified six (6) properties for use within the HOME Infill Program.
2. The properties will be sold to homebuilders who will then construct a single family home on each lot and, upon completion, sell the homes to qualified buyers. After the sale the builder will be reimbursed for acquisition and construction costs with HOME funds.
3. This process meets the criteria set forth in the Property Tax Code Sec. 34.05(h) which gives municipalities the authority to retain property in inventory for a specified period of time for a specific purpose, secures ownership from other taxing entities and allows for the direct sale of property to non-profits and developers for the construction of affordable housing.
4. HUD requires that the properties be sold for fair market value, defined as the value shown on the DCAD rolls.

Submitted By:

Mona L. Woodard
Manager
Housing and Community Services

Date: July 30, 2012

Approved By:

William E. Dollar
City Manager

Date: July 30, 2012



City Council Item Summary Sheet

Work Session

Agenda Item

Date: August 6, 2012

Portfolio Summary

Summary of Request/Problem

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 Policy Finance-06, Statement of Investment Policy and City Council Policy Finance-05, Statement of Investment Strategy.

The Portfolio Summary is also forwarded to Council and management on a monthly basis for informational purposes.

Recommendation/Action Requested and Justification

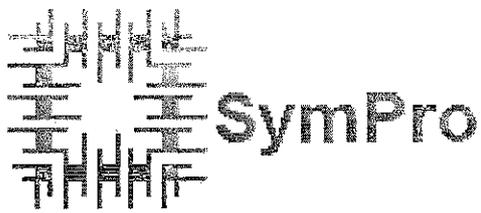
The June 30, 2012 Portfolio Summary is presented to inform the Council. Staff will be available to discuss the report with Council.

Submitted By:

David Schuler
Managing Director for Financial Services

Approved By:

William E. Dollar
City Manager

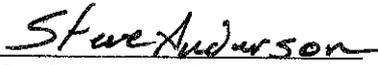


City of Garland Portfolio Summary
Texas Compliance Summary
Sorted by Investment Class
June 1, 2012 - June 30, 2012

City of Garland
 Financial Services

Investment Class		Par Value	Market Value	Book Value	Accrued Interest
> 1 Year FV	Value beginning 06/01/2012	232,834,000.00	233,057,608.20	232,875,061.81	380,293.31
	Net Change	12,471,000.00	12,489,923.59	12,464,839.92	-81,587.14
	Value ending 06/30/2012	245,305,000.00	245,547,531.79	245,339,901.73	298,706.17
< 1 Year AC	Value beginning 06/01/2012	202,855,175.50	202,855,175.50	202,855,175.50	95,877.10
	Net Change	209,513.59	206,548.59	209,513.59	-20,306.03
	Value ending 06/30/2012	203,064,689.09	203,061,724.09	203,064,689.09	75,571.07
Total	Value beginning 06/01/2012	435,689,175.50	435,912,783.70	435,730,237.31	476,170.41
	Net Change	12,680,513.59	12,696,472.18	12,674,353.51	-101,893.17
	Value ending 06/30/2012	448,369,689.09	448,609,255.88	448,404,590.82	374,277.24

This report is prepared in compliance with Generally Accepted Accounting Principles, the Public Funds Investment Act and the Statement of Investment Strategies as approved by the City Council.

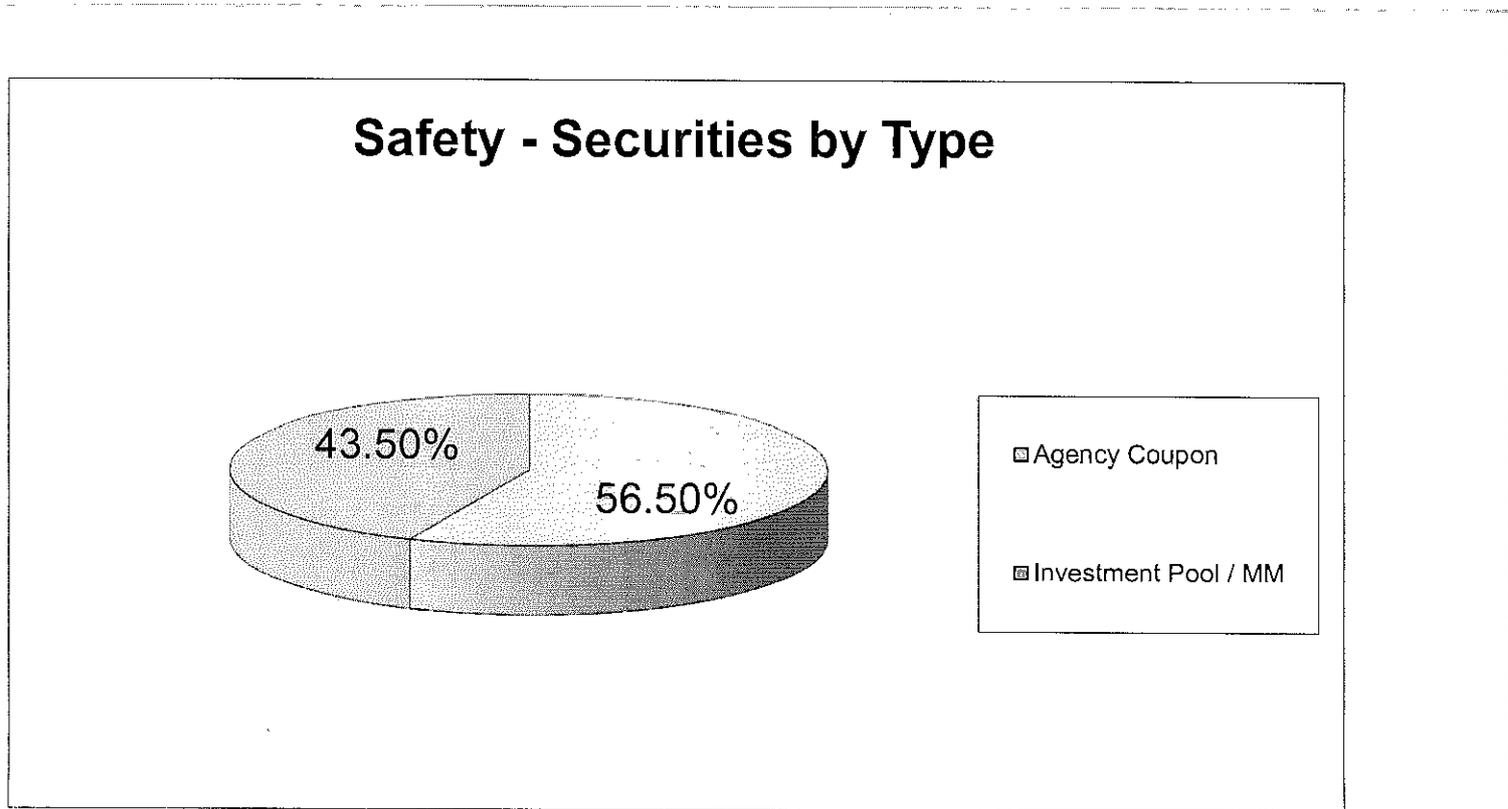

 Cash & Debt Administrator


 Finance Director


 Accounting Administrator

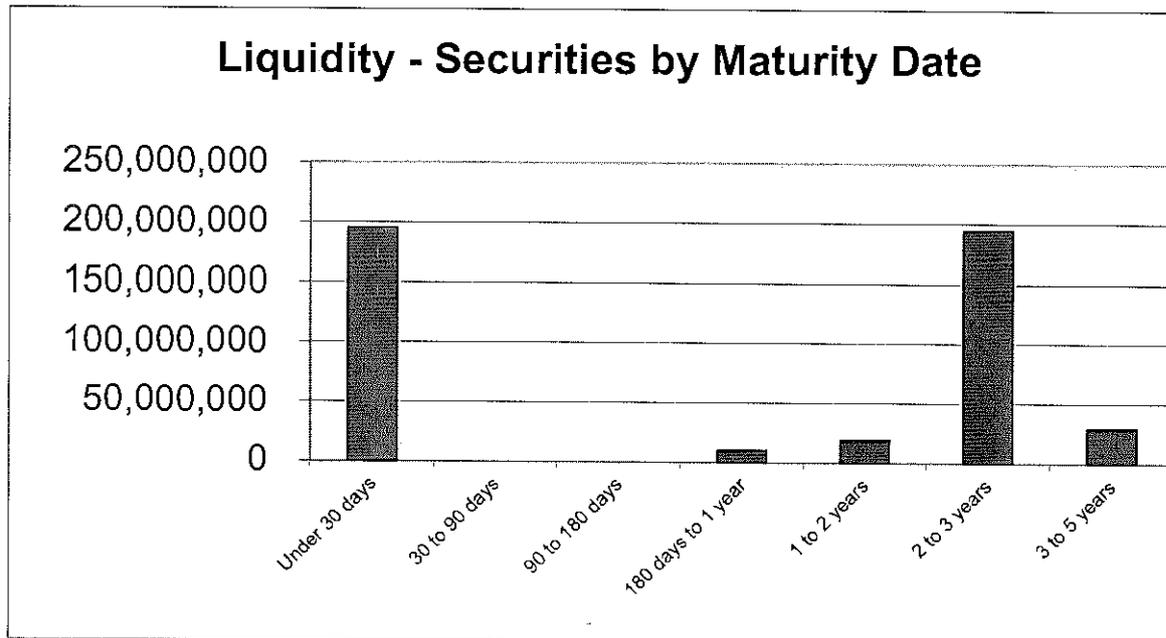
Safety - Securities by Type
City of Garland, Texas
June 30, 2012

<u>Security Type</u>	<u>Treasury</u>	<u>GO I & S</u>	<u>Rate Mitigation</u>	<u>CMH Landfill</u>	<u>Total Book Value</u>	<u>Percent</u>
Agency Coupon	126,606,641	0	118,735,133	7,998,127	253,339,902	56.50%
Investment Pool / MM	132,244,102	10,576,740	52,180,834	63,014	195,064,690	43.50%
Total	258,850,742	10,576,740	170,915,967	8,061,141	448,404,591	100.00%



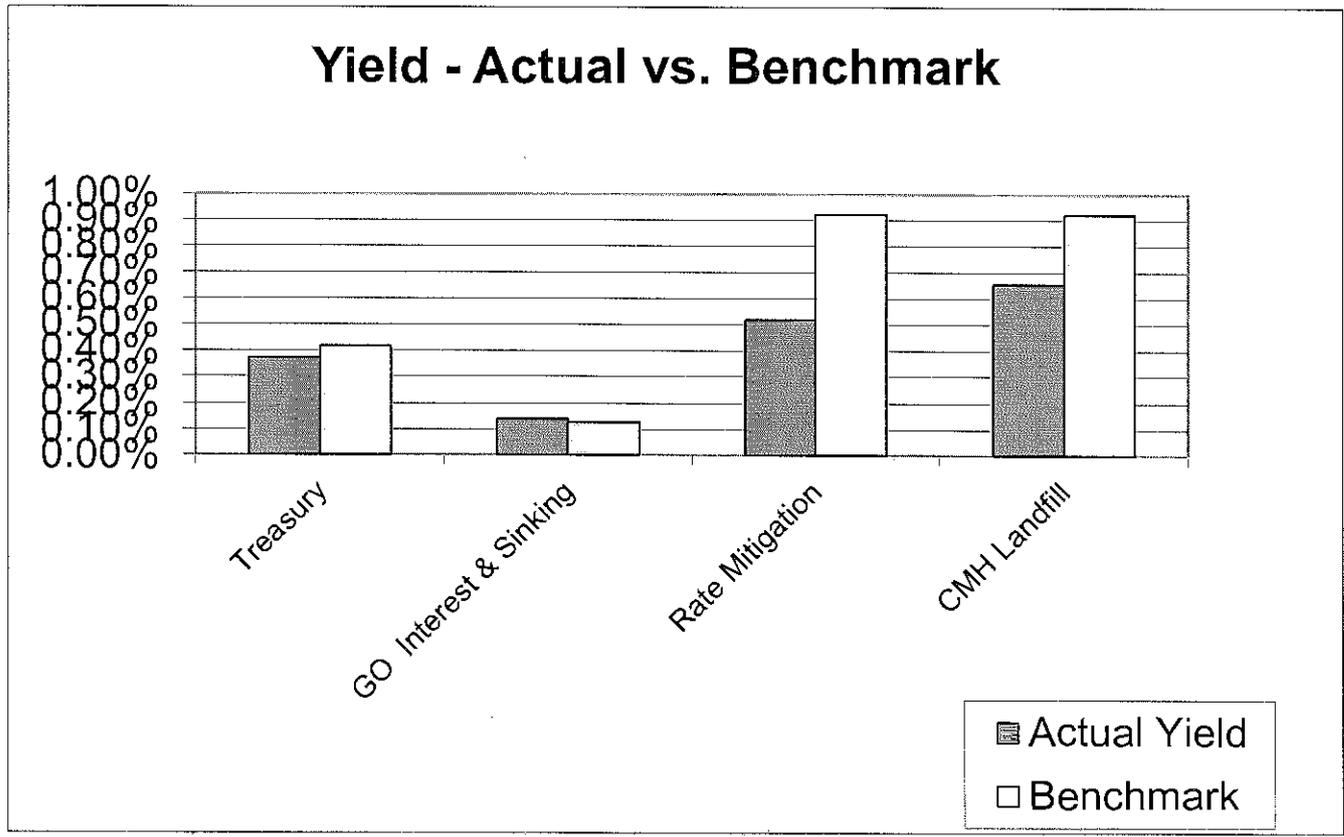
Liquidity - Securities by Maturity Date
City of Garland, Texas
June 30, 2012

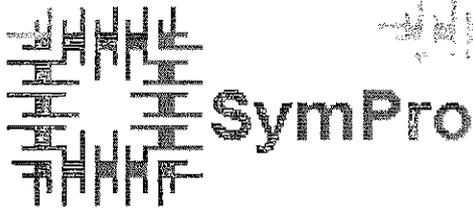
	<u>Treasury</u>	<u>GO I & S</u>	<u>Rate Mitigation</u>	<u>CMH Landfill</u>	<u>Total Par Value</u>	<u>Percent</u>
Under 30 days	132,244,102	10,576,740	52,180,833	63,014	195,064,689	43.51%
30 to 90 days	0	0	0	0	0	0.00%
90 to 180 days	0	0	0	0	0	0.00%
180 days to 1 year	5,000,000	0	5,000,000	0	10,000,000	2.23%
1 to 2 years	6,000,000	0	13,000,000	0	19,000,000	4.24%
2 to 3 years	115,630,000	0	70,675,000	8,000,000	194,305,000	43.34%
3 to 5 years	0	0	30,000,000	0	30,000,000	6.69%
	<u>258,874,102</u>	<u>10,576,740</u>	<u>170,855,833</u>	<u>8,063,014</u>	<u>448,369,689</u>	<u>100.00%</u>
Weighted Average Maturity	449	1	698	982		



Yield - Interest Income
City of Garland, Texas
June 30, 2012

<u>Portfolio</u>	<u>Interest Income Fiscal YTD</u>	<u>Current Yield</u>	<u>Benchmark Yield</u>	<u>Unrealized Gain (Loss)</u>
Treasury	\$701,029	0.37%	0.42%	\$89,099
GO Interest & Sinking	\$9,696	0.14%	0.13%	\$0
Rate Mitigation	\$725,695	0.52%	0.92%	\$111,775
CMH Landfill	\$33,231	0.66%	0.92%	\$3,791
Total Portfolios	\$1,469,652			\$204,666





City of Garland Portfolio Summary
Texas Compliance Details
Sorted by Investment Class
June 30, 2012

City of Garland
 Financial Services

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Investment Class: > 1 Year FV												
31331KB41	1667	100	Federal Farm Credit Bank	FAC	5,000,000.00	03/27/2013		0.290	99.998	06/29/2012	4,999,915.00	5,000,000.00
31331KB41	1668	214	Federal Farm Credit Bank	FAC	5,000,000.00	03/27/2013		0.290	99.998	06/29/2012	4,999,915.00	5,000,000.00
3136FPPEL7	1490	100	Fed National Mort Assoc	FAC	2,000,000.00	09/09/2013		1.050	100.704	06/29/2012	2,014,092.00	1,999,876.16
3136FPKA4	1499	214	Fed National Mort Assoc	FAC	5,000,000.00	03/28/2014		1.250	101.463	06/29/2012	5,073,180.00	5,003,887.65
313379R84	1797	214	Federal Home Loan Bank	FAC	5,000,000.00	06/13/2014	07/13/2012	0.500	99.881	06/29/2012	4,994,095.00	5,000,000.00
313379L23	1795	100	Federal Home Loan Bank	FAC	4,000,000.00	06/16/2014	07/16/2012	0.500	99.947	06/29/2012	3,997,896.00	4,000,000.00
313379L23	1796	214	Federal Home Loan Bank	FAC	3,000,000.00	06/16/2014	07/16/2012	0.500	99.947	06/29/2012	2,998,422.00	3,000,000.00
313375CH8	1690	100	Federal Home Loan Bank	FAC	3,550,000.00	08/22/2014	08/22/2012	0.650	100.040	06/29/2012	3,551,441.30	3,542,258.85
3134G3SQ4	1744	214	Federal Home Loan Mort. Corp.	FAC	2,875,000.00	09/22/2014	03/22/2013	0.500	100.093	06/29/2012	2,677,493.10	2,671,666.95
3135G0JG9	1735	214	Fed National Mort Assoc	FAC	2,000,000.00	09/26/2014	09/26/2012	0.520	100.100	06/29/2012	2,002,008.00	1,998,300.56
3135G0JG9	1737	100	Fed National Mort Assoc	FAC	3,000,000.00	09/26/2014	09/26/2012	0.520	100.100	06/29/2012	3,003,012.00	2,997,450.83
313375TC1	1669	214	Federal Home Loan Bank	FAC	3,000,000.00	10/17/2014		0.625	100.002	06/29/2012	3,000,072.00	3,000,000.00
3135G0DT7	1670	100	Fed National Mort Assoc	FAC	2,000,000.00	10/17/2014		0.700	100.013	06/29/2012	2,000,260.00	2,000,000.00
3133EACR7	1727	100	Federal Farm Credit Bank	FAC	3,609,000.00	11/07/2014		0.420	99.913	06/29/2012	3,605,892.65	3,604,234.32
3135G0LF8	1788	100	Fed National Mort Assoc	FAC	4,000,000.00	11/24/2014	05/24/2013	0.500	99.987	06/29/2012	3,999,508.00	4,000,000.00
3135G0LF8	1789	100	Fed National Mort Assoc	FAC	3,000,000.00	11/24/2014	05/24/2013	0.500	99.987	06/29/2012	2,999,631.00	3,000,000.00
3135G0LF8	1790	214	Fed National Mort Assoc	FAC	2,000,000.00	11/24/2014	05/24/2013	0.500	99.987	06/29/2012	1,999,754.00	2,000,000.00
3136FTNV7	1683	214	Fed National Mort Assoc	FAC	3,000,000.00	11/28/2014	11/28/2012	0.625	100.095	06/29/2012	3,002,874.00	3,000,000.00
3136FTNV7	1684	100	Fed National Mort Assoc	FAC	2,000,000.00	11/28/2014	11/28/2012	0.625	100.095	06/29/2012	2,001,916.00	2,000,000.00
3136FTSF7	1694	100	Fed National Mort Assoc	FAC	2,000,000.00	12/12/2014	12/12/2012	0.650	100.031	06/29/2012	2,000,638.00	2,000,000.00
3136FTQV4	1698	100	Fed National Mort Assoc	FAC	2,000,000.00	12/12/2014	12/12/2012	0.875	100.065	06/29/2012	2,001,306.00	2,000,000.00
3134G3CV0	1695	100	Federal Home Loan Mort. Corp.	FAC	2,000,000.00	12/19/2014	12/19/2012	1.000	100.157	06/29/2012	2,003,150.00	2,000,000.00
3134G3CV0	1696	214	Federal Home Loan Mort. Corp.	FAC	3,000,000.00	12/19/2014	12/19/2012	1.000	100.157	06/29/2012	3,004,725.00	3,000,000.00
3134G3DY3	1701	100	Federal Home Loan Mort. Corp.	FAC	3,000,000.00	12/19/2014	12/19/2012	0.875	100.166	06/29/2012	3,004,983.00	3,000,000.00
3134G3ES5	1702	100	Federal Home Loan Mort. Corp.	FAC	3,000,000.00	12/19/2014	12/19/2012	0.625	100.087	06/29/2012	3,002,634.00	3,000,000.00
31331K3C2	1703	100	Federal Farm Credit Bank	FAC	2,000,000.00	12/19/2014	12/19/2012	0.750	100.155	06/29/2012	2,003,108.00	2,000,000.00
31331K3C2	1705	635	Federal Farm Credit Bank	FAC	3,000,000.00	12/19/2014	12/19/2012	0.750	100.155	06/29/2012	3,004,662.00	3,000,000.00
3133EAVJ4	1806	100	Federal Farm Credit Bank	FAC	3,000,000.00	12/26/2014	06/26/2013	0.480	100.140	06/29/2012	3,004,212.00	3,000,000.00
3133EAVJ4	1807	214	Federal Farm Credit Bank	FAC	2,000,000.00	12/26/2014	06/26/2013	0.480	100.140	06/29/2012	2,002,808.00	2,000,000.00
3136FTHC6	1680	214	Fed National Mort Assoc	FAC	3,000,000.00	01/26/2015	10/26/2012	1.000	100.137	06/29/2012	3,004,125.00	3,000,000.00
3135G0KS1	1784	100	Fed National Mort Assoc	FAC	3,000,000.00	02/10/2015	05/10/2013	0.560	99.915	06/29/2012	2,997,459.00	3,000,000.00
3135G0KS1	1786	214	Fed National Mort Assoc	FAC	2,000,000.00	02/10/2015	05/10/2013	0.560	99.915	06/29/2012	1,998,306.00	2,000,000.00

Data Updated: ~REPORT~: 07/31/2012 09:54

Run Date: 07/31/2012 - 09:54

Portfolio CITY
 AP
 CM (PRF_CM) 7.1.1
 Report Ver. 7.3.3b

City of Garland Portfolio Summary
Texas Compliance Details
June 30, 2012

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Investment Class: > 1 Year FV												
3135G0KS1	1791	100	Fed National Mort Assoc	FAC	3,000,000.00	02/10/2015	05/10/2013	0.560	99.915	06/29/2012	2,997,459.00	3,000,000.00
3135G0KS1	1792	214	Fed National Mort Assoc	FAC	2,000,000.00	02/10/2015	05/10/2013	0.560	99.915	06/29/2012	1,998,306.00	2,000,000.00
3133EADS4	1718	100	Federal Farm Credit Bank	FAC	4,000,000.00	02/17/2015		0.570	100.002	06/29/2012	4,000,112.00	4,000,000.00
3134G3NL0	1715	635	Federal Home Loan Mort. Corp.	FAC	1,000,000.00	02/24/2015	02/24/2014	0.500	99.756	06/29/2012	997,565.00	999,779.40
3134G3NL0	1716	214	Federal Home Loan Mort. Corp.	FAC	3,000,000.00	02/24/2015	02/24/2014	0.500	99.756	06/29/2012	2,992,695.00	2,999,338.19
3134G3NZ9	1713	100	Federal Home Loan Mort. Corp.	FAC	2,000,000.00	02/27/2015	02/27/2013	0.550	100.091	06/29/2012	2,001,824.00	2,000,000.00
3134G3NZ9	1714	214	Federal Home Loan Mort. Corp.	FAC	3,000,000.00	02/27/2015	02/27/2013	0.550	100.091	06/29/2012	3,002,736.00	3,000,000.00
3133785A5	1717	100	Federal Home Loan Bank	FAC	5,000,000.00	03/05/2015		0.600	100.002	06/29/2012	5,000,140.00	4,997,776.85
3133785A5	1721	214	Federal Home Loan Bank	FAC	3,000,000.00	03/05/2015		0.600	100.002	06/29/2012	3,000,084.00	2,997,991.67
3135G0HU0	1724	100	Fed National Mort Assoc	FAC	3,000,000.00	03/05/2015	09/05/2012	0.650	100.064	06/29/2012	3,001,932.00	2,999,598.33
3135G0HU0	1725	214	Fed National Mort Assoc	FAC	2,000,000.00	03/05/2015	09/05/2012	0.650	100.064	06/29/2012	2,001,288.00	1,999,732.22
3135G0HX4	1726	100	Fed National Mort Assoc	FAC	5,000,000.00	03/13/2015	09/13/2012	0.700	100.085	06/29/2012	5,004,290.00	5,000,000.00
3134G3QH6	1719	214	Federal Home Loan Mort. Corp.	FAC	3,000,000.00	03/15/2015	03/05/2014	0.570	100.300	06/29/2012	3,009,006.00	3,000,000.00
3135G0JJ3	1738	100	Fed National Mort Assoc	FAC	3,000,000.00	03/26/2015		0.700	100.344	06/29/2012	3,010,347.00	2,998,495.14
3135G0JJ3	1741	214	Fed National Mort Assoc	FAC	2,000,000.00	03/26/2015		0.700	100.344	06/29/2012	2,006,898.00	1,998,996.76
3136FT4B2	1729	100	Fed National Mort Assoc	FAC	3,000,000.00	03/27/2015	03/27/2013	0.650	100.187	06/29/2012	3,005,634.00	2,999,863.06
3136FT4B2	1730	214	Fed National Mort Assoc	FAC	2,000,000.00	03/27/2015	03/27/2013	0.650	100.187	06/29/2012	2,003,756.00	1,999,908.70
31331K6Q8	1749	214	Federal Farm Credit Bank	FAC	4,000,000.00	04/17/2015		0.740	100.002	06/29/2012	4,000,112.00	3,999,634.51
313378UT6	1753	100	Federal Home Loan Bank	FAC	3,000,000.00	04/17/2015	07/17/2012	0.720	100.018	06/29/2012	3,000,555.00	3,000,000.00
313378UT6	1754	214	Federal Home Loan Bank	FAC	2,000,000.00	04/17/2015	07/17/2012	0.720	100.018	06/29/2012	2,000,370.00	2,000,000.00
3135G0JT1	1751	100	Fed National Mort Assoc	FAC	3,000,000.00	04/23/2015	10/23/2012	0.760	100.115	06/29/2012	3,003,477.00	3,000,000.00
3135G0JT1	1752	214	Fed National Mort Assoc	FAC	2,000,000.00	04/23/2015	10/23/2012	0.760	100.115	06/29/2012	2,002,318.00	2,000,000.00
313378WQ0	1759	100	Federal Home Loan Bank	FAC	3,000,000.00	04/23/2015	07/23/2012	0.670	100.025	06/29/2012	3,000,774.00	2,999,156.67
313378WQ0	1760	214	Federal Home Loan Bank	FAC	2,000,000.00	04/23/2015	07/23/2012	0.670	100.025	06/29/2012	2,000,516.00	1,999,437.78
3136G0CH2	1757	214	Fed National Mort Assoc	FAC	2,000,000.00	04/24/2015	04/24/2013	0.500	99.963	06/29/2012	1,999,262.00	2,000,000.00
3136G0FU0	1762	214	Fed National Mort Assoc	FAC	2,000,000.00	04/30/2015	04/30/2013	0.600	100.000	05/31/2012	2,000,000.00	2,000,000.00
3135G0KH5	1764	100	Fed National Mort Assoc	FAC	3,000,000.00	04/30/2015	04/30/2013	0.700	99.984	06/29/2012	2,999,544.00	3,000,000.00
3135G0KH5	1765	214	Fed National Mort Assoc	FAC	2,000,000.00	04/30/2015	04/30/2013	0.700	99.984	06/29/2012	1,999,696.00	2,000,000.00
3135G0KH5	1767	635	Fed National Mort Assoc	FAC	1,200,000.00	04/30/2015	04/30/2013	0.700	99.984	06/29/2012	1,199,817.60	1,200,000.00
3135G0KH5	1769	214	Fed National Mort Assoc	FAC	3,000,000.00	04/30/2015	04/30/2013	0.700	99.984	06/29/2012	2,999,544.00	3,000,000.00
3135G0KH5	1770	100	Fed National Mort Assoc	FAC	3,000,000.00	04/30/2015	04/30/2013	0.700	99.984	06/29/2012	2,999,544.00	3,000,000.00
3135G0KH5	1771	214	Fed National Mort Assoc	FAC	2,000,000.00	04/30/2015	04/30/2013	0.700	99.984	06/29/2012	1,999,696.00	2,000,000.00
3133EAPN2	1793	214	Federal Farm Credit Bank	FAC	3,000,000.00	05/08/2015	05/08/2013	0.560	100.004	06/29/2012	3,000,141.00	2,999,269.21
3133EAPN2	1798	100	Federal Farm Credit Bank	FAC	3,000,000.00	05/08/2015	05/08/2013	0.560	100.004	06/29/2012	3,000,141.00	2,998,532.86
3133EAPN2	1802	100	Federal Farm Credit Bank	FAC	1,471,000.00	05/08/2015	05/08/2013	0.560	100.004	06/29/2012	1,471,069.14	1,469,552.95
313379B65	1773	100	Federal Home Loan Bank	FAC	3,000,000.00	05/15/2015	11/15/2012	0.600	100.078	06/29/2012	3,002,355.00	3,000,000.00

City of Garland Portfolio Summary
Texas Compliance Details
June 30, 2012

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Investment Class: > 1 Year FV												
313379B65	1774	214	Federal Home Loan Bank	FAC	2,000,000.00	05/15/2015	11/15/2012	0.600	100.078	06/29/2012	2,001,570.00	2,000,000.00
3136G0GL9	1775	100	Fed National Mort Assoc	FAC	3,000,000.00	05/21/2015	05/21/2013	0.625	99.975	06/29/2012	2,999,268.00	3,000,000.00
3136G0GL9	1776	214	Fed National Mort Assoc	FAC	2,000,000.00	05/21/2015	05/21/2013	0.625	99.975	06/29/2012	1,999,512.00	2,000,000.00
3136G0GL9	1782	100	Fed National Mort Assoc	FAC	2,000,000.00	05/21/2015	05/21/2013	0.625	99.975	06/29/2012	1,999,512.00	1,999,614.81
3133EATR9	1799	100	Federal Farm Credit Bank	FAC	3,000,000.00	06/11/2015	09/11/2012	0.580	99.995	06/29/2012	2,999,865.00	2,998,230.06
3133EATR9	1800	635	Federal Farm Credit Bank	FAC	2,800,000.00	06/11/2015	09/11/2012	0.580	99.995	06/29/2012	2,799,874.00	2,798,348.05
3133EAUK2	1805	100	Federal Farm Credit Bank	FAC	3,000,000.00	06/18/2015	06/18/2013	0.560	99.954	06/29/2012	2,998,647.00	3,000,000.00
3133EAU29	1803	100	Federal Farm Credit Bank	FAC	2,000,000.00	06/19/2015	09/19/2012	0.590	100.068	06/29/2012	2,001,376.00	2,000,000.00
313378X48	1772	214	Federal Home Loan Bank	FAC	2,000,000.00	07/30/2015	07/30/2012	0.750	100.039	06/29/2012	2,000,790.00	2,000,000.00
3136FT4P1	1728	214	Fed National Mort Assoc	FAC	2,000,000.00	09/28/2015	03/28/2013	0.500	100.085	06/29/2012	2,001,700.00	2,000,000.00
3136FR5Q2	1697	214	Fed National Mort Assoc	FAC	2,000,000.00	10/05/2015	10/05/2012	1.100	100.146	06/29/2012	2,002,922.00	1,997,453.36
3136G0BQ3	1750	214	Fed National Mort Assoc	FAC	3,000,000.00	10/23/2015	10/23/2012	0.500	100.026	06/29/2012	3,000,783.00	3,000,000.00
3133EANC8	1777	214	Federal Farm Credit Bank	FAC	3,000,000.00	10/30/2015	07/30/2012	0.690	100.034	06/29/2012	3,001,044.00	2,998,858.10
3133783U3	1722	214	Federal Home Loan Bank	FAC	2,000,000.00	12/01/2015		0.750	100.002	06/29/2012	2,000,058.00	1,996,592.44
3133EAUD8	1801	214	Federal Farm Credit Bank	FAC	2,000,000.00	12/14/2015	09/14/2012	0.700	100.014	06/29/2012	2,000,290.00	2,000,000.00
3133EAND6	1783	214	Federal Farm Credit Bank	FAC	3,000,000.00	02/01/2016		0.770	100.045	06/29/2012	3,001,365.00	2,999,279.60
3133EADK1	1794	100	Federal Farm Credit Bank	FAC	3,000,000.00	02/22/2016	02/22/2013	0.850	100.326	06/29/2012	3,009,786.00	3,000,000.00
313372WH3	1652	214	Federal Home Loan Bank	FAC	2,000,000.00	03/22/2016	03/22/2013	3.500	102.223	06/29/2012	2,044,478.00	2,075,744.58
3133EAEK0	1723	214	Federal Farm Credit Bank	FAC	2,000,000.00	05/23/2016		1.000	100.004	06/29/2012	2,000,094.00	2,000,000.00
3136FTQZ5	1689	214	Fed National Mort Assoc	FAC	3,000,000.00	12/05/2016	12/05/2012	1.000	100.213	06/29/2012	3,006,411.00	3,000,000.00
3135G0HT3	1720	214	Fed National Mort Assoc	FAC	2,000,000.00	03/06/2017	03/06/2013	1.250	100.361	06/29/2012	2,007,232.00	2,000,000.00
3136G0CP4	1758	214	Fed National Mort Assoc	FAC	2,000,000.00	04/17/2017	04/17/2013	0.750	100.222	06/29/2012	2,004,458.00	1,999,041.11
Subtotal					245,305,000.00						245,547,531.79	245,339,901.73
Investment Class: < 1 Year AC												
SYSLOGIC	1808	100	LOGIC Investment Pool	RRP	5,931.42			0.244	100.000	06/30/2012	5,931.42	5,931.42
SYSLANDFILL	1812	635	TEXPOOL Investement Pool	RRP	63,013.96			0.137	100.000	06/30/2012	63,013.96	63,013.96
SYSGOI&S	1814	111	TEXPOOL Investement Pool	RRP	10,576,740.48			0.137	100.000	06/30/2012	10,576,740.48	10,576,740.48
SYSRATE	1815	214	TEXPOOL Investement Pool	RRP	52,180,833.05			0.137	100.000	06/30/2012	52,180,833.05	52,180,833.05
SYSTXSTAR	1822	100	TexStar	RRP	101,737,901.73			0.130	100.000	06/30/2012	101,737,901.73	101,737,901.73
SYSTPPRIME	1824	100	Texpool Prime	RRP	10,365.08			0.171	100.000	06/30/2012	10,365.08	10,365.08
SYSTREASURY	1825	100	TEXPOOL Investement Pool	RRP	30,489,903.37			0.137	100.000	06/30/2012	30,489,903.37	30,489,903.37
313379UT4	1804	100	Federal Home Loan Bank	FAC	5,000,000.00	06/27/2014		0.500	99.940	06/29/2012	4,997,035.00	5,000,000.00
3136G0FU0	1761	100	Fed National Mort Assoc	FAC	3,000,000.00	04/30/2015	04/30/2013	0.600	100.000	05/31/2012	3,000,000.00	3,000,000.00
Subtotal					203,064,689.09						203,061,724.09	203,064,689.09

City of Garland Portfolio Summary
Texas Compliance Details
June 30, 2012

CUSIP	Investment #	Fund	Issuer	Investment Type	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
				Total	448,369,689.09						448,609,255.88	448,404,590.82



City Council Item Summary Sheet

Work Session

Date: August 6, 2012

Agenda Item

Rate Mitigation Quarterly Portfolio Report

Summary of Request/Problem

The Rate Mitigation Portfolio Report is provided to Council each quarter. The Report presents investment information regarding the balances held in the Rate Mitigation Fund.

Recommendation/Action Requested and Justification

The June 30, 2012 Rate Mitigation Quarterly Portfolio Report is presented to inform the Council. Staff will be available to discuss the report with Council.

Submitted By:

David Schuler
Managing Director for Financial Services

Approved By:

William E. Dollar
City Manager

Rate Mitigation Fund
 Quarterly Portfolio Report
 June 30, 2012

Portfolio Book Value - October 1, 2011		\$131,433,486
Transfers (to) from GP&L Operating Fund		38,873,534
Interest income:		
October 1 - December 31	\$207,676	
January 1 - March 31	194,535	
April 1- June 30	323,484	
July 1- September 30	0	
Total interest income recognized - fiscal year-to-date	\$725,695	
Adjustment for beginning and ending accruals	-116,749	
Total interest income received - fiscal year-to-date		608,946
Portfolio Book Value - June 30, 2012		<u>\$170,915,966</u>

Portfolio Book Value is the value of the entire portfolio that is recorded in the financial records. The interest income received in each quarter increases the portfolio book value. The adjustment for the beginning and ending accruals is an accounting entry.

Portfolio Book Value - June 30, 2012		\$170,915,966
Future interest income to be earned		-60,133
Portfolio Par Value - June 30, 2012		<u>\$170,855,833</u>

Portfolio Par Value is the face value, at maturity, of the various securities held in the portfolio. The variance between Book Value and Par Value is one component of future income that will be earned as each security matures. Unlike Book Value, Par Value is not recorded in the financial records. It is reported for informational purposes only.

Portfolio Book Value - June 30, 2012		\$170,915,966
Unrealized gain (loss)		111,775
Portfolio Market Value - June 30, 2012		<u>\$171,027,741</u>

Portfolio Market Value is the current Fair Market Value of the various securities in the portfolio. Generally, Fair Market Value of a fixed income security will decline as interest rates rise. Conversely, as interest rates fall, the Fair Market Value of a fixed income security will increase. Governmental financial reporting standards require that Fair Market Value and the changes in Fair Market Values be reported in year-end financial statements.

It should be noted that declines of Fair Market Value below Book Value are reported as Unrealized Losses for informational purposes. The City does not realize investment losses because securities are held to maturity.



City Council Item Summary Sheet

Work Session

Date: August 6, 2012

Agenda Item

Garland Labor Day Exchange Event

Summary of Request/Problem

Council will be briefed on the Garland Labor Day Exchange Event (GLEE) that will be held on September 3, 2012. This event is sponsored by the Noon Exchange Club of Garland.

Recommendation/Action Requested and Justification

Council discussion.

Submitted By:

Approved By:

William E. Dollar
City Manager



City Council Item Summary Sheet

Work Session

Date: August 6, 2012

Agenda Item

Mosquito Control Program – 2012 West Nile Virus Outbreak

Summary of Request/Problem

At the request of Council Member B. J. Williams and Mayor Ronald Jones, staff will provide a briefing on the mosquito-borne disease surveillance and control program of the Health Department. Staff will also give an update on the current West Nile virus activity within Garland.

Recommendation/Action Requested and Justification

Council discussion.

Submitted By:

Richard Briley
Managing Director of Health & Code
Compliance

Approved By:

William E. Dollar
City Manager



City Council Item Summary Sheet

Work Session

Date: August 6, 2012

Agenda Item

Requests for Council Consideration

Summary of Request/Problem

At the request of Council Member B. J. Williams and Mayor Ronald Jones, Council is requested to consider the following items:

- Appoint a special workgroup to explore and develop a feasibility proposal for a fiscally sound, budget neutral 2013 July 4th observance for the Garland community.
- Code Compliance and Building Inspection: Conduct community (neighborhood) public information forum in each Council district in 2012-2013. Note: In person or interactive via CGTV.
- Appoint a workgroup to review current sign ordinance to determine if “business-friendly” changes can be made.
- Instruct Chamber to develop and present to Council a community outreach initiative for nonmember small businesses of services available through the Dallas Small Business Development Center.

Recommendation/Action Requested and Justification

Council discussion.

Submitted By:

Approved By:

**William E. Dollar
City Manager**



City Council Item Summary Sheet

Work Session

Date: August 6, 2012

Agenda Item

Televising Citizen Comments at Council Meetings

Summary of Request/Problem

At the request of Council Member Anita Goebel and Mayor Ronald Jones, Council is requested to discuss televising citizen comments at Council meetings.

This item is also scheduled for a public hearing at the August 7, 2012 Regular Meeting.

Recommendation/Action Requested and Justification

Council discussion.

Submitted By:

Approved By:

William E. Dollar
City Manager

"Open Mike" History
By Council Member Rick Williams

Circa 2009, the Garland City Council decided not to televise "open mike" comments at the end of the Tuesday night meeting. Some of the reasons were:

1. **Purpose of "Open Mike" is retained** – The purpose of the "open mike," is that any citizen can come and speak to the Council. That purpose is retained even when the comments are not televised. Further, all council representatives are willing to meet one-on-one with any constituent, so there is no issue here of citizens not being heard by their council representatives.
2. **Prevents City staffers from being falsely accused** – It is not unusual for City departments, or worse, City staffers to be called out by name even though they have done nothing wrong. Below is an email written by Richard Briley after xxxxx xxxxx had made "open mike" comments that staff and the council representative had dropped the ball on an apartment complex. As you can see from Richard's email, we were very much on top of the complex for violations.

From: Williams, Councilman Rick
Sent: Wednesday, August 04, 2010 4:41 PM
To: Briley, Richard
Cc: Dollar, Bill; Killen, Steve
Subject: RE: Villa Del Rio Apartments

Thanks, and yet another example why not televising the "open mike" remains an excellent policy. Rick

From: Briley, Richard
Sent: Wednesday, August 04, 2010 4:26 PM
To: Jones, Mayor Ronald E.; Athas, Councilman Douglas; Cox, Councilwoman Laura; Edwards, Councilman Preston; Jeffus, Councilman Larry; Willis, Councilman John; Chick, Councilwoman Barbara; Williams, Councilman Rick; Lathen, Councilman Darren
Cc: Dollar, Bill; Killen, Steve
Subject: Villa Del Rio Apartments

Mayor & Council,

Bill asked me to respond to the contention alleged by xxxx xxxx at Tuesday's Council Meeting with regards to Villa Del Rio being without air conditioning for many weeks.

Villa Del Rio Apartments (formerly Shiloh Bend Apartments), 1302 N Shiloh Road was last routinely inspected by Code Compliance Inspectors on April 19, 2010. It was a comprehensive inspection involving all 8 buildings and 162 units. The large number of units inspected was due to a "high risk" based on our inspection protocol: age of complex; violation numbers; minimum housing complaints from the residents and logged police calls. The complex was built in 1972 (38 years old) and is currently owned by Sand Dollar Commerce in St. Petersburg, FL. It is being locally managed by MC Residential of Texas in Arlington, TX.

The comprehensive inspection revealed **769 minimum standards violations**, none of which were violations regarding improper cooling. Because of the high number of violations identified during the inspection the property manager was given until October 31, 2010 to complete all of the repairs. During a 90-day compliance review, on July 19, 2010, Housing Standards Manager Rio Orticio found that the on-site property manager had not begun work on any of the required repairs found in April. Rio contacted the ownership on July 22, 2010 and the on-site manager was replaced by a new team from MC Residential. The next day, Rio and Code

Inspector Varughese Simon met with the new management team and were assured that the repairs will be completed by the October 31 deadline.

On Monday, August 2, 2010, Code Compliance received calls stating that Villa Del Rio had been on the news due to a water leak and an air conditioning outage on Sunday night. Code Compliance learned that the water leak was due to vandalism on two vacant units. The manager stated that the call regarding the leak was received at 9 pm on Sunday and the plumbers repaired the leak before midnight. The air conditioning issue was related to the failure of four compressors. The chiller system has eight compressors and only four were working. Code Compliance required that air conditioning must be provided by the end of day on Monday. Three mechanical companies were on site on Monday and by 4:15 pm the management company reported that the chiller system had been repaired and operational.

Varughese Simon went back on Tuesday and spot checked several units and they were all below the 81 degree requirement as set by the City's minimum standards. The department will get complaints at these older complexes that use a water chilling system that the apartment unit is not "cold enough," but the systems only have to be capable of cooling the living unit to below 81 degrees **or** if the temperature is above 101 degrees, the temperature cannot exceed 20 degrees below the ambient outside temperature.

The department has acted properly with regards to this complex and the oversight has been vigilant. **The complex was actually without chilled air for less than 48 hours.**

As a side note, another older complex, Spanish Villa, 110 North Jupiter, lost two of their three chilling units yesterday and repairs were just completed this afternoon.
Richard

3. **No opportunity to rebut information** – Because the Council can only discuss items that have been posted by public notice, the council cannot say a word regarding whatever issue the speaker has presented. There are always two sides to a story, and the viewing audience only hears one.
4. **Misuse of the "open mike" as a political pulpit** – Candidates running for office can come speak to give themselves more "face time."
5. **Setting the "tone" for the City** – As we all agreed on the July 9 Council retreat, when the council works together, it sets the "tone" for the City. (What sort of "tone" is set by Dallas County Commissioners?) Ending a Council meeting with a citizen(s) railing against some perceived injustice, incompetence, etc. (and 99% of the time the citizen is simply misinformed or confused) casts a negative pall on the meeting and this City's "tone" has gone from Council collegial harmony to complete negativity about the City, City Departments, City staff, etc. If it is our job as Council representatives to set a positive tone for this city, the "open mike" is not appropriate.



City Council Item Summary Sheet

Work Session

Date: 8/6/12

Agenda Item

Preview of 2012-13 Proposed Budget

Summary of Request/Problem

Presentations will include an overview of the City Manager's Proposed Budget for FY 2012-13, proposed compensation and benefits for FY 2012-13, and a Texas Municipal Retirement System (TMRS) update. The FY 2012-13 Proposed Budget document will officially be presented to the City Council at the Tuesday, August 7th, Regular Council Meeting.

Overview of FY 2012-13 Proposed Budget – *Bradford/Young*

Compensation and Benefits – *Wilson/French*

Texas Municipal Retirement System Update – *Kauffman*

Recommendation/Action Requested and Justification

Preview only for Proposed Budget – Questions and discussion to occur at future Budget Work Sessions after Council has received the Budget document.

Submitted By:

Ron Young
Director
Budget & Research

Approved By:

William E. Dollar
City Manager