City of Lake Dallas
City Council
Regular Meeting
City Hall
212 Main Street, Lake Dallas, TX 75065
Thursday, May 24, 2018 at 7:00 p.m.
Agenda

<u>Section I – Presentations</u>

1. **Call to Order & Determination of Quorum**

2. **Invocation & Pledges of Allegiance**

3. **Announcements & Special Recognitions**

    A. **City Manager's Report**

The City Manager's Report may provide information on status of current city projects and other projects affecting the City, meetings and actions of the city's boards and commissions, upcoming local community events, including, but not limited to, departmental operations and capital improvement project status. No action will be taken with respect to this report.

4. **Citizen Agenda & Public Comment**

An opportunity for citizens to address the Mayor and City Council on matters which are not scheduled for consideration by the City Council or another City Board or Commission at a later date. In order to address the Council, please complete a Public Meeting Appearance Card and present it to the City Secretary prior to the start of the Council meeting. The Texas Open Meeting Act prohibits deliberation by the City Council of any subject which is not on the posted agenda, therefore the Council will not be able to discuss or take any action on items brought up during the citizen presentations. Citizen presentation will be limited to five (5) minutes per person.

Section II – Consent Agenda

All items listed below are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of the items unless a Councilmember so requests, in which event the item will be removed from the consent agenda and considered in its normal sequence.

5. Consider and Act on the Consent Agenda

A. Approval of Minutes of the Regular Meeting held May 10, 2018.
B. Approval of Resolution Authorizing a Funding Agreement with the Lake Dallas Community Development Corporation for Funds to Purchase Banner Arms, Banners and Bollards for Main Street and Authorize such purchases.
C. Approval of Ordinance adopting amendments to the Fiscal Year 2017-2018 Budget.

Section III – Planning & Development: None

Section IV- General Items

6. Receive a report, hold a discussion, and give staff direction regarding the possible refunding of debt and future debt issuance process.

7. Receive a presentation, hold a discussion, and give staff direction regarding a request by Mr. James Doolin to discuss a license agreement for the use of Willow Grove Park for rental of motorized watercraft.

Section V – Elected Official Requested Items

8. Mayor & Council Member Announcements

The City Council may hear or make reports of community interest provided no action is taken or discussed. Community interest items may include information regarding upcoming schedules of events, honorary recognitions, and announcements involving imminent public health and safety threats to the city. Any deliberation shall be limited a proposal to place the subject on an agenda for a subsequent meeting.

Section VI – Executive Session As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed above or herein.

Section VII – Return to Open Session Take action, if needed, on matters discussed in Executive Session.

Section VIII – Adjournment

I certify that the above notice of this meeting posted on the bulletin board at City Hall of the City of Lake Dallas, Texas on or before May 21, 2018 at 5:00 p.m.

Codi Delcambre

Codi Delcambre, TRMC
City Secretary

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed executive session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed above or herein.

If you plan to attend this public meeting and you have a disability that requires special arrangements at this meeting, please contact City Secretary's Office at (940) 497-2226 ext. 118 or fax (940) 497-4485 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

State of Texas
County of Denton
City of Lake Dallas

The Lake Dallas City Council met in a regular meeting on May 10, 2018 in the Lake Dallas City Hall, 212 Main Street, with notice of the meeting given, as required by Title 5, Chapter 551.041 of the Texas Government Code. Mayor Barnhart called the meeting to order at 7:01 p.m.

1. **Roll Call**

Michael Barnhart	Mayor
Megan Ray	Councilmember 1
Kathy Brownlee	Councilmember 2
Cheryl McClain	Councilmember 3
Charlie Price	Councilmember 4
Andi Nolan	Councilmember 5

Staff Present: City Manager John Cabrales, City Secretary Codi Delcambre, Police Lt. Chandler, Director of Library Services Natalie McAdams, Finance Director Donna Boner, Development Services Director Jeremy Tennant, Animal Service Director Julien Peralta, and City Attorney Julie Dosher.

2. **Invocation and Pledges of Allegiance**
Mayor Barnhart led the invocation and the pledges.

3. **Oath of Office**
Codi Delcambre, City Secretary administered the Oath of Office to Megan Ray Councilmember Place 1, Cheryl McClain Councilmember Place 3, and Andi Nolan Councilmember Place 5.

4. **Announcements & Special Recognitions**

A. City Manager's Report – John Cabrales, City Manager updated the Council on the Thomas Carnival, Comprehensive Plan, and the Street Maintenance Sales Tax that passed 97-11 for 108 votes total.

5. **Citizen Agenda & Public Comments**
Mayor Barnhart opened the Visitors/Citizens Agenda.
No one spoke
Mayor Barnhart closed the Visitors/Citizens Agenda.

6. **Consider and Act on the Consent Agenda**
   a. Receive Monthly Budget & Financial Report
   b. Approval of Minutes of the Regular Meeting held April 26, 2018.
   c. Approval of Resolution appointing members to various positions of the Animal Shelter Advisory Committee.
   d. Approval of Resolution appointing members to various positions of the Library Advisory Board.

e. Approval of Resolution appointing member to various positions of the Board of Adjustment.
f. Approval of Resolution appointing members to various positions of the Parks and Recreation Board.
g. Approval of an Ordinance amending Chapter 26, Businesses, by adding a new Article V. Farmers Market, Sections 26-175 to 26-180 of the Code of Ordinances; establishing a Farmers Market Events permit requirement and fee; establishing General Rules and Regulations.
h. Approval of an Ordinance adopting by reference the Texas Food Establishment rules promulgated by the Texas Department of State Health Services, Codified at 25 Texas Administrative Code; Chapter 228, as amended; amending Chapter 54 Health and Sanitation, by establishing regulations for food, and mobile food establishments and temporary food establishments in the City of Lake Dallas; providing the purpose of these rules; providing definitions included in these rules; providing for the establishment and collection of fees; providing for suspension and revocation of permits; establishing general rules and regulations.
i. Approval of Resolution authorizing a Landscape Maintenance Agreement with the Texas Department of Transportation (TXDOT) for the maintenance of landscaping to installed on segments of I-35E located within the City of Lake Dallas.
j. Approval of Resolution authorizing negotiation and execution of a Rental Agreement with the Parkers Plantation & Event Center for 4th of July Stage and Generators.

Motion to approve the consent agenda was made by Councilmember Ray and second by Councilmember McClain.

Ayes: Councilmembers Ray, McClain, Price, Nolan, and Brownlee
Noes: None

Motion Passed 5-0.

7. Conduct a public hearing and make decision on a request to change the zoning designation for 0.230 acres of land platted as Lots 31 and 32, Block B, Garza Beach Estates, from R 1-6000 Single-Family Dwelling District to a R-2 Two Family Dwelling District. The property is commonly known as 222 Adolphus Avenue. The applicant is Chhayhong Bin. (ZD-01-18)

Mayor Barnhart opened the public meeting at 7:13 pm.

Jeremy Tennant, Development Services Director presented the council with the background on 222 Adolphus Avenue.

Keith Hodge, the applicant handed out a rendering of his project to council and stated that the duplexes were going to be built for his in-laws and children to live in.

Mayor Barnhart asked to hear from those that would like to speak in favor of the proposed zoning change. No one spoke in favor of the zoning change.

Mayor Barnhart asked to hear from those that would like to speak against the proposed zoning change. No one spoke against the zoning change.

Mayor Barnhart closed the public hearing at 7:20 pm.

Motion for denial of the requested zoning change as it is a proposed spot zone that is inconsistent with both the Zoning Ordinance and Comprehensive Plan was made by Councilmember Ray and second by Councilmember Nolan.

Ayes: Councilmembers Price, Ray, Nolan, McClain, and Brownlee
Noes: None
Motion Passed 5-0.

8. Received a report, held a discussion and gave staff direction regarding the Shady Shores Road Project.
Council received a presentation from City Manager John Cabrales. Council stated they are in favor of doing the 50/50 split on the pre-construction cost for the project with the Town of Shady Shores.

9. Received a report, held a discussion and give staff direction regarding the FY 2018-2019 Budget.

Council received a presentation form City Manager John Cabrales on the FY 2018-2019. Councilmember Price stated that he would like to see the trail at Willow Grove Park extended.

10. Mayor & Council Member Announcements:

11. Adjournment

Mayor Barnhart adjourned the meeting at 8:20 p.m.

Approved:

____
Michael Barnhart, Mayor

Attest:

____
Codi Delcambre, City Secretary

AGENDA ITEM 5B

CITY COUNCIL
AGENDA MEMO

Prepared By: Devin Shields, Public Works Manager **May 24, 2018**

Approve a Resolution Authorizing a Funding Agreement with the Lake Dallas Community Development Corporation for Funds to Purchase Banner Arms, Banners and Bollards for Main Street and Authorize such purchases

DESCRIPTION:

Approve authorize the City Manager negotiate and sign a funding agreement with the Lake Dallas Community Development Corporation ("LDCDC") to provide funds to the City to purchase Banner Arms, Banners and Bollards and to authorized City Staff to proceed with such purchase.

BACKGROUND INFORMATION:

During the purchase and installation of the seven (7) street light poles for Main Street, options were discussed for providing protection for several light poles that stood a higher risk of being damaged by street traffic. The City Council also discussed adding decorative banner arms and banners to the poles. Staff gathered information and pricing for the remaining ten (10) street lights, banner arms and bollards.

At the May 10, 2018 LDCDC board meeting, after some discussion, the LDCDC Board approved providing funds for the purchase of Banner Arms (7 sets), Banners (2 sets of 7) and Bollards (4), for a price not to exceed $9,800.

FINANCIAL CONSIDERATION:

Banner Arms (7 sets) – $1,000.00
Banners (14 total) – $600.00
Bollards (4) – $7,400.00
Shipping/Misc. Costs =$800.00

RECOMMENDED MOTIONS:

Staff recommends the approval of resolution authorizing an agreement with the LDCDC to provide funds for the purchase of Banner Arms, Banners and Bollards not to exceed $9,800, and authorizing City staff to proceed with such purchase

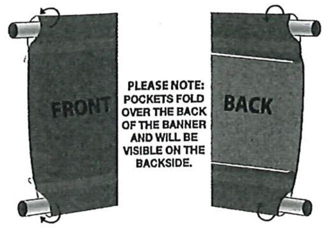
ATTACHMENT(S):

Pricing Information
Resolution
Funding Agreement

VINYL BOULEVARD BANNERS

This vibrant double-sided boulevard banner will be the talk of the town.

- Strong Titan™ 18 oz. opaque scrim vinyl
- 3" pole pockets on top and bottom
- Two grommets along one edge of the banner
- Hardware sold separately (see page 24)
- More sizes and media options available online



Vinyl Boulevard Banners (Double-Sided)

Item #	Description	1-4	5-13	14-39	40-88
302031	18" x 36"	36.86	34.52	32.13	30.24
Item #	**Description**	**1-3**	**4-9**	**10-29**	**30-66**
302035	24" x 36"	49.14	46.02	42.84	40.32
Item #	**Description**	**1-2**	**3-7**	**8-22**	**23-49**
302037	24" x 48"	65.52	61.36	57.12	53.76
Item #	**Description**	**1**	**2-4**	**5-14**	**15-33**
302041	24" x 72"	98.28	92.04	85.68	80.64
Item #	**Description**	**1**	**2-4**	**5-14**	**15-31**
302045	30" x 60"	102.38	95.88	89.25	84.00

Banner only. Hardware sold separately (see page 24). USD MSRP (C)

Production Lead Time: 2 days from final proof approval

FABRIC BOULEVARD BANNERS

High-quality fabric banners lend an upscale flair to any street or parking lot.

- 600 denier nylon fabric
- Two-sided with blockout liner
- 3" pole pockets on top and bottom
- Two grommets along one edge of the banner
- Hardware sold separately (see page 24)
- Custom sizes available (call for quote)
- Not eligible for Rush Service

Fabric Boulevard Banners (Double-Sided)

Item #	Description	1	2-5	6-11	12-24
302078	18" x 36"	135.00	132.00	130.00	127.00
302080	24" x 36"	150.00	147.00	144.00	141.00
302081	24" x 48"	155.00	152.00	149.00	146.00
302082	24" x 60"	165.00	162.00	158.00	155.00
302083	24" x 72"	175.00	172.00	168.00	165.00
302085	30" x 60"	200.00	196.00	192.00	188.00

Banner only. Hardware sold separately (see page 24). USD MSRP (C)

Production Lead Time: 7 days from final proof approval

FABRIC FLAG

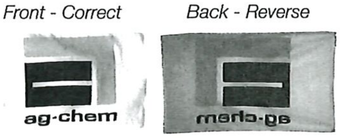
Easy to hang, this flag works with any standard flagpole.

- Great for indoor or outdoor use
- Single-sided or double-sided options available
- Graphic is dye sublimated on super poly knit fabric
- Custom sizes available (call for quote)

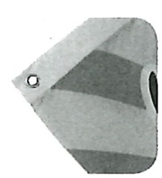
5' x 8'

4' x 6'

Front - Correct   Back - Reverse



Single-sided flags are printed on one side; reverse image is visible through the back of the flag.



All flags are finished with white canvas heading and brass grommets.

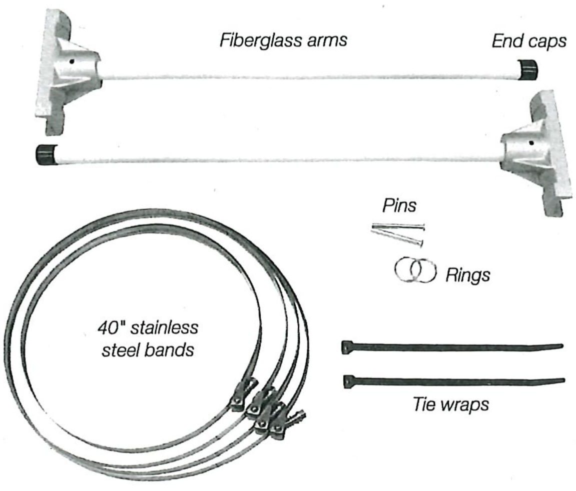
Fabric Flag

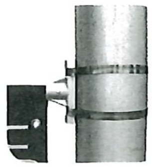
Item #	Size	1	2-5	6-11	12-24
300003	2' x 3' Flag Single-Sided	95.00	90.00	85.00	80.00
300018	2' x 3' Flag Double-Sided	150.00	145.00	140.00	135.00
300007	3' x 5' Flag Single-Sided	138.00	133.00	123.00	112.00
300019	3' x 5' Flag Double-Sided	200.00	195.00	185.00	175.00
300011	4' x 6' Flag Single-Sided	180.00	175.00	165.00	155.00
300020	4' x 6' Flag Double-Sided	240.00	235.00	225.00	215.00
300015	5' x 8' Flag Single-Sided	210.00	205.00	195.00	185.00
300021	5' x 8' Flag Double-Sided	285.00	280.00	270.00	260.00

USD MSRP (C)

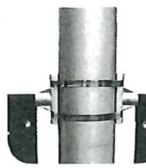
Production Lead Time: 4 days from final proof approval

Setup fee: $20.00(G); no setup fee on orders placed via our website. *View current graphic templates, assembly videos and instructions on our website.*





Single
Includes top and bottom brackets for one banner.



Double
Includes top and bottom brackets for two banners.

VERSATILE BRACKET SYSTEM

Designed to be adaptable, this bracket system fits almost any wood or steel pole.

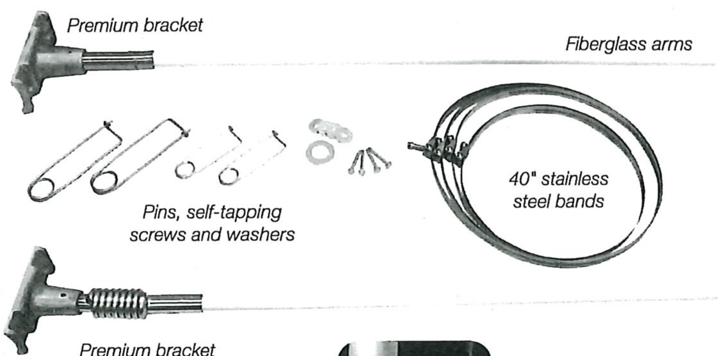
- Works with square, round and polygonal poles
- 1° incline keeps banner taut
- Accepts banners up to 24 sq. ft. in size
- Banners sold separately (see page 25)

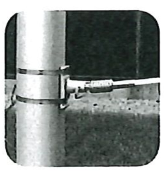
Versatile Bracket System

Item #	Description	1-9	10-24	25-49	50-99
302020	18" Single	87.00	82.00	72.00	67.00
302006	24" Single	88.00	84.00	79.00	76.00
302008	30" Single	92.00	87.00	82.00	78.00
302022	36" Single	99.00	93.00	87.00	82.00
302021	18" Double	143.00	138.00	128.00	123.00
302007	24" Double	148.00	143.00	133.00	128.00
302009	30" Double	158.00	148.00	138.00	133.00
302023	36" Double	173.00	163.00	158.00	153.00

Hardware only. Banner sold separately (see page 25). USD MSRP (C)

Production Lead Time: Hardware only ships same day when order is placed by 2 p.m. Central





The spring arm has a 1° incline to keep banners taut and easily snaps back into place after graphic changes.

PREMIUM & SPRING BRACKET SYSTEM

This bracket system is built to withstand the harshest outdoor elements. Patent #6378820

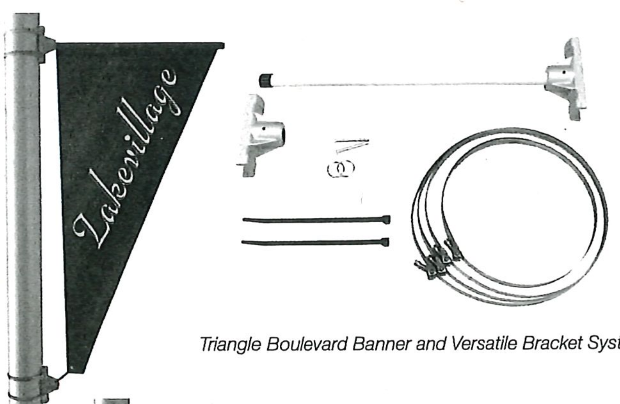
- Premium Single includes two Premium arms (one top, one bottom)
- Premium Double includes four Premium arms (two top, two bottom)
- Premium Single with Spring Arm includes one top Premium arm and one bottom spring arm
- Premium Double with Spring Arm includes two top Premium arms and two bottom spring arms
- Banners sold separately (see page 25)

Premium Bracket System

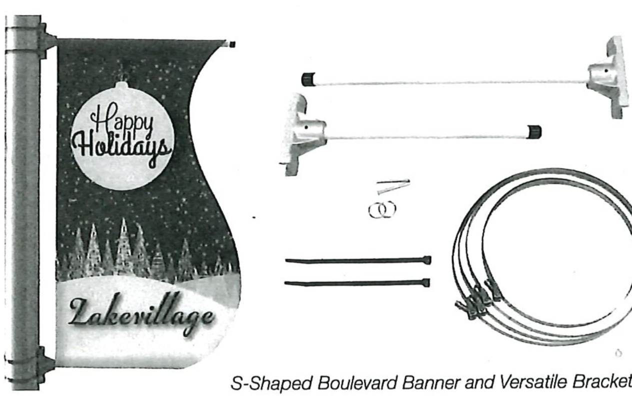
Item #	Description	1	2-5	6-11	12-24
302060	30" Single	112.00	107.00	102.00	97.00
302061	30" Double	189.00	184.00	179.00	174.00
302062	30" Single w/Spring Arm	141.00	140.00	136.00	131.00
302063	30" Double w/Spring Arm	240.00	235.00	230.00	225.00

Hardware only. Banner sold separately (see page 25). USD MSRP (C)

Production Lead Time: Hardware only ships same day when order is placed by 2 p.m. Central



Triangle Boulevard Banner and Versatile Bracket System



S-Shaped Boulevard Banner and Versatile Bracket System

SHAPED BOULEVARD BANNERS & BRACKETS

Designed to withstand the elements, these classic boulevard banners are perfect for long-term outdoor use.

- Double-sided Titan™ 18 oz. opaque scrim vinyl
- Available in a variety of shapes and sizes

Versatile Bracket System for Triangle Boulevard Banners

Item #	Description	1	2-5	6-11	12-24
302070	24" Triangle Single	75.00	71.00	68.00	64.00
302071	24" Triangle Double	120.00	114.00	108.00	102.00
302072	30" Triangle Single	80.00	76.00	72.00	68.00
302073	30" Triangle Double	125.00	119.00	113.00	106.00

Hardware only. For use with Triangle Boulevard Banners only (sold separately). USD MSRP (C)

Versatile Bracket System for S-Shaped Boulevard Banners

Item #	Description	1	2-5	6-11	12-24
302074	18" and 24" S-Shaped Single	87.00	83.00	78.00	74.00
302075	18" and 24" S-Shaped Double	145.00	138.00	131.00	123.00
302076	24" and 30" S-Shaped Single	90.00	86.00	81.00	77.00
302077	24" and 30" S-Shaped Double	160.00	150.40	142.40	132.80

Hardware only. For use with S-Shaped Boulevard Banners only (sold separately). USD MSRP (C)

Triangle & S-Shaped Banners

Item #	Description	1	2-5	6-11	12-24
302053	24" x 48" Double-Sided Triangle	66.00	63.00	59.00	56.00
302055	30" x 60" Double-Sided Triangle	86.10	80.90	76.60	71.50
302057	24" x 48" Double-Sided S-Shaped	69.00	66.00	62.00	59.00
302059	30" x 60" Double-Sided S-Shaped	91.00	86.00	82.00	77.00

Banner only. Shape-specific hardware sold separately. USD MSRP (C)

Production Lead Time: 2 days from final proof approval
Hardware only ships same day when order is placed by 2 p.m. Central

Setup fee: $20.00(G); no setup fee on orders placed via our website. *View current graphic templates, assembly videos and instructions on our website.*

4006A **MELS ELECTRIC L.P.**
6305 S. IH-45, WILMER, TEXAS 75172 972/441-6208 FAX-972/441-6394
BID QUOTATION

PROJECT NAME:
MAIN STREET LAKE DALLAS

BID DATE: 5-2-18
VALID 45 DAYS

LAKE DALLAS, TEXAS

TOTAL $9,250.00

Item	Description	Quan.	Unit Price	Per	Extended Price
1	DECORATIVE BOLLARD (NO LIGHT) (FURNISH BOLLARD & DELIVER TO CITY ONLY) *** As Specified per Cut Sheet *** **NOTES: Bid quotation does NOT include:** bond, engineering,barricades, temp. power, tax, testing, pavement markings, utility co. charges, boring, traffic signal or control removal & replacement of concrete, irrigation, or landscape. any upgrades to existing, light pole or fixtures, contactors, time clock lamps, ballast or photocell any decorative stone or associated masonary work any boring, wiring to relocated poles, casing of any drill shafts	5.00	$1,850.00	EA	$9,250.00

MATERIALS	$8,377.91
LABOR,OVERHEAD,PROFIT,ETC	$872.09
TOTAL BID PRICE	$9,250.00

only 4 = $7400.00

CITY OF LAKE DALLAS, TEXAS
RESOLUTION NO. 11092017- ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE DALLAS, TEXAS AUTHORIZING NEGOTIATION AND EXECUTION OF AN AGREEMENT WITH THE LAKE DALLAS COMMUNITY DEVELOPMENT CORPORATION TO FUND THE PURCHASE OF STREET BOLLARDS, BANNER ARMS, AND BANNERS FOR THE CENTRAL BUSINESS DISTRICT; AUTHORIZING PURCHASE OF SAID STREET BOLLARDS, BANNER ARMS, AND BANNERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council the redesign and reconstruction of Main Street through the City ("the Project") has been completed; and

WHEREAS, the Lake Dallas Community Development Corporation ("LDCDC") previously provided the funding for the purchase and installation of new street lights and other improvements along Main Street within the City's central business district; and

WHEREAS, the City Council and the LDCDC have determined that the addition of street bollards and street light banners that can be used to promote the City and special events will make the area more attractive to businesses and people desiring to patronize businesses within the Central Business District; and

WHEREAS, City has requested provide funds to pay for the purchase of the street bollards, banner arms, and banners in association with the Project as described above; and

WHEREAS, LDCDC has previously determined that such expense which may be lawfully paid by LDCDC as "project" expenses pursuant to the Development Corporation Act and desires to provide such funding; and

WHEREAS, the City Council of the City of Highland Village, Texas, finds it to be in the public interest to sign a funding agreement with LCCDC regarding the receipt and use of the above-described funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF HIGHLAND VILLAGE, TEXAS, THAT:

Section 1. The City Manager is hereby authorized to negotiate and sign on behalf of the City a funding agreement with the LDCDC wherein LDCDC agrees to provide $9800 to be paid by City toward costs relating to the purchase of street bollards, banner arms, and banners to be installed on light standards on Main Street within the area of the City's central business district.

Section 2. The City Manager is hereby authorized in accordance with applicable city policies and state law to purchase street bollards, banners, and banner arms in an amount not to exceed $9800 subject to execution of the funding agreement authorized in accordance with Section 1, above.

Section 3. This Resolution shall be effective immediately upon its passage and it is accordingly so resolved.

PASSED AND APPROVED this the 24th day of May, 2018.

APPROVED:

____

Michael Barnhart, Mayor

ATTEST:

____

Codi Delcambre, TRMC, City Secretary

APPROVED AS TO FORM:

____

Kevin B. Laughlin, City Attorney
(kbl:5/21/18:99510)

STATE OF TEXAS	**§**	
	§	**PROJECT FUNDING AGREEMENT**
COUNTY OF DALLAS	**§**	

This **Project Funding Agreement** ("Agreement") is made by and between the City of Lake Dallas, Texas ("City") and the Lake Dallas Community Development Corporation ("LDCDC") (each a "Party" or collectively the "Parties"), acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, LDCDC is a Type B Corporation organized pursuant to the Development Corporation Act, Chapters 501 - 505 of the Texas Local Government Code, as amended (the "Act"); and

WHEREAS, the Act and the enabling legislation approved by the citizens of the City authorizes the LDCDC to provide funding and economic development grants relating "projects" as defined in the Act; and

WHEREAS, City desires and intends to cause the purchase of and install street bollards, banner arms and banners along Main Street within the area of the City's central business district (the "Project"); and

WHEREAS, City has requested LDCDC provide funds to pay the Project expenses which may be lawfully paid by LDCDC as "project" expenses pursuant to the Act; and

WHEREAS, LDCDC has adopted programs for promoting economic development; and

WHEREAS, LDCDC has determined that the Project is required or suitable to promote new or expanded business enterprises and constitutes a "project" as that term is defined in the Act; and

WHEREAS, LDCDC has determined that the Project will further the objectives of the LDCDC, will benefit City and the City's inhabitants, and will promote local economic development and stimulate business and commercial activity in the City.

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

Article I
Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

"City" shall mean the City of Lake Dallas, Texas.

"LDCDC" shall mean the Lake Dallas Community Development Corporation.

"Effective Date" shall mean the last date of execution hereof.

"Expiration Date" shall mean the date that the Parties have fully satisfied their respective obligations under this Agreement.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by acts of omissions of the Party), fires, explosions or floods, strikes, slowdowns or work stoppages, but may not impact any payments to be made hereunder.

"Project" shall mean the purchase of street bollards, banner arms, banners and related accessories to be installed on sidewalk areas and light standards along Main Street within the area of City's central business district.

"Project Costs" shall mean the actual costs to purchase the street bollards, banner arms, banners and related accessories for the Project.

"Project Funding" shall mean an amount not to exceed $9800.00.

Article II
Term

The term of this Agreement shall begin on the last date of execution hereof (the "Effective Date") and continue until the Expiration Date.

Article III
Project

3.1 Purchasing. City shall be responsible for the purchase of the street bollards, banner arms, banners and related accessories necessary for the Project in accordance with applicable City policies and state law.

3.2 Project Funding. LDCDC agrees to provide the Project Funding to City not later than five (5) business days after receipt of written notice from City requesting the Project Funding.

3.3 Project Costs. City covenants and agrees to use the Project Funding solely for the Project Costs. City agrees to refund to the LDCDC, without demand, all or any portion of the Project Funding not utilized for the Project.

Article IV
Termination

This Agreement shall terminate upon any one of the following:

(a) by written agreement of the Parties; or

(b) Expiration Date.

Article V
Miscellaneous

5.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

5.2 Limitation on Liability. It is understood and agreed between the Parties that the LDCDC and City, in satisfying the conditions of this Agreement, have each acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions.

5.3 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. The undersigned officers and/or agents of the Parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

5.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing), or on the day received if sent by courier or otherwise hand delivered.

If intended for the City, to:

Attn: City Manager
City of Lake Dallas
212 Main Street
Lake Dallas, Texas 75065

If intended for the LDCDC, to:

President
Lake Dallas Community Development Corporation
212 Main Street
Lake Dallas, Texas 75065

5.5 Entire Agreement. This Agreement is the entire Agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the Parties that in any manner relates to the subject matter of this Agreement.

5.6 Governing Law. The Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in the State District Court of Denton County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

5.7 Amendment. This Agreement may only be amended by the mutual written agreement of the Parties.

5.8 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

5.9 Successors and Assigns. This Agreement may not be assigned without the prior written consent of the other Party.

5.10 Recitals. The recitals to this Agreement are incorporated herein.

5.11 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

5.12 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

5.13 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

(signatures on following page)

SIGNED AND AGREED on this _______ day of _____________________, 2018.

CITY OF LAKE DALLAS, TEXAS

By: ___________________________________
John Cabrales, Jr., City Manager

ATTEST:

____
Code Delcambre, TRMC, City Secretary

APPROVED AS TO FORM:

____
Kevin B. Laughlin, City Attorney

SIGNED AND AGREED on this _______ day of _____________________, 2018.

LAKE DALLAS COMMUNITY DEVELOPMENT CORPORATION

By: ____________________________________
President

AGENDA ITEM 5C

CITY COUNCIL
AGENDA MEMO

Prepared By: Donna Boner, Finance Director **May 24, 2018**

Budget Amendments

DESCRIPTION:

Consider adoption of an ordinance amending the Fiscal Year 2017-2018 Budget of the City of Lake Dallas to allow for adjustments to the general fund in the amount of $38,569, to the Street Maintenance special revenue fund in the amount of $192,516.18 and to the LEOSE special revenue fund in the amount of $4000.

BACKGROUND INFORMATION:

The City's FY 2017-2018 Budget was approved at the September 14, 2017 Council meeting. Staff is proposing to amend the City's FY 2017-18 Budget as follows:

- Amend the Revenues by ($3000) for park improvement fees that were budgeted under the general fund, and moved to a new special revenue fund.
- Amend the Street Maintenance Special Revenue Fund by $192,516.18 for the purpose of reimbursing for capital project costs appropriated in FY 2016-17, but not completed before fiscal year end.
- Amend the LEOSE special revenue fund by $4000 for police training
- Amend the Animal Services department budget by $13,285 for roof replacement
- Amend the Public Works department budget by $15,166 for drainage improvements for the purpose of reimbursement for capital project costs.
- Amend the following departments by $10,118 for the 2016 Waste Management settlement check that was appropriated by the City Council at the 2/8/18 meeting:

Police	$6000	Purchase of guns
Animal Shelter	$3000	Shelter improvements
Library	$118	Library materials
Parks	$1000	Mulch

FINANCIAL CONSIDERATION:

This ordinance will amend the FY 2017-18 Budget as summarized below:

Fund	Original Budget	Revised Budget
General Fund-Revenue	$4,536,131	$4,533,131
General Fund-Expenses	$4,524,761	$4,563,330

Street Maintenance Fund	$ 290,000	$ 482,516
LEOSE Fund	$ 5,000	$ 9,000

These adjustments estimate an ending fund balance in the General Fund of approximately 25.4% of operating expenditures. Our stated policy goal is 25%.

Staff recommends approval of the amending ordinance.

RECOMMENDED MOTIONS:

I move to approve/deny an ordinance amending the Fiscal Year 2017-2018 Budget of the City of Lake Dallas to allow for adjustments to (funds and amounts).

ATTACHMENT(S):

1. Ordinance

212 Main St, Lake Dallas, Texas 75065, (940) 497-2226
FINANCE DIRECTOR'S OFFICE

MEMORANDUM

TO: John Cabrales, City Manager

FROM: Donna Boner, Finance Director

DATE: May 18, 2018

SUBJECT: Budget Amendments

Per our meeting this morning, here is the budget amendment requested:

Description

Consider adoption of an ordinance amending the Fiscal Year 2017-2018 Budget of the City of Lake Dallas to allow for adjustments to the general fund in the amount of $38,569, to the Street Maintenance special revenue fund in the amount of $192,516.18 and to the LEOSE special revenue fund in the amount of $4000.

Background Information

The City's FY 2017-2018 Budget was approved at the September 14, 2017 Council meeting. Staff is proposing to amend the City's FY 2017-18 Budget as follows:

- Amend the Revenues by ($3000) for park improvement fees that were budgeted under the general fund, and moved to a new special revenue fund.
- Amend the Street Maintenance Special Revenue Fund by $192,516.18 for the purpose of reimbursing for capital project costs appropriated in FY 2016-17, but not completed before fiscal year end.
- Amend the LEOSE special revenue fund by $4000 for police training.
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- Amend the following departments by $10,118 for the 2016 Waste Management settlement check that was appropriated by the City Council at the 2/8/18 meeting:

Police	$6000	Purchase of guns
Animal Shelter	$3000	Shelter improvements
Library	$118	Library materials

Parks	$1000	Mulch

Financial Consideration

This ordinance will amend the FY 2017-18 Budget as summarized below:

Fund	Original Budget	Revised Budget
General Fund-Revenue	$4,536,131	$4,533,131
General Fund-Expenses	$4,524,761	$4,563,330
Street Maintenance Fund	$ 290,000	$ 482,516
LEOSE Fund	$ 5,000	$ 9,000

These adjustments estimate an ending fund balance in the General Fund of approximately 25.4% of operating expenditures. Our stated policy goal is 25%.

Staff recommends approval of the amending ordinance.

Recommended Motion

I move to approve/deny an ordinance amending the Fiscal Year 2017-2018 Budget of the City of Lake Dallas to allow for adjustments to (funds and amounts).

Attachments

1. Ordinance

CITY OF LAKE DALLAS, TEXAS
ORDINANCE NO. 2018-____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE DALLAS, TEXAS ADOPTING AMENDMENTS TO THE FISCAL YEAR 2017-2018 BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Lake Dallas, Texas has lawfully adopted a budget for fiscal year 2017-2018 ("2017-18 Budget"), by prior action of the City Council; and

WHEREAS, the City Council of the City of Lake Dallas has determined that this budget amendment is necessary and appropriate to preserve and protect the health, safety and welfare of the citizens of the City of Lake Dallas as well as other persons in the City.

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

SECTION 1. The amendments to the 2017-18 Budget amendments, attached hereto as Exhibit "A" and incorporated herein by reference, are hereby authorized, approved and adopted.

SECTION 2. If any section, subsection, paragraph, sentence, clause, phrase or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance; and the City Council hereby declares it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect, and to this end, the provisions of this Ordinance are declared severable.

SECTION 3. This Ordinance shall take effect immediately from and after its passage on second reading.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LAKE DALLAS, TEXAS ON, THIS THE 24TH DAY OF MAY, 2018.

APPROVED:

____
Michael Barnhart, Mayor

ATTEST:

____

Codi Delcambre, TRMC, City Secretary

APPROVED AS TO FORM AND LEGALITY:

____

Kevin B. Laughlin, City Attorney
(kbl:5/21/18:99495)

Ordinance No. 2018-____
Exhibit "A"

Fund	Original Budget	Revised Budget
General Fund-Revenue	$4,536,131	$4,533,131
General Fund-Expenses	$4,524,761	$4,563,330
Street Maintenance Fund	$ 290,000	$ 482,516
LEOSE Fund	$ 5,000	$ 9,000

AGENDA ITEM 6

CITY COUNCIL
AGENDA MEMO

Prepared By: John Cabrales Jr, Manager **May 24, 2018**

Hilltop Securities Refunding and Debt Issuance Presentation

DESCRIPTION:

Receive a report, hold a discussion, and give staff direction regarding the possible refunding of debit and future debt issuance process.

BACKGROUND INFORMATION:

Hilltop Securities, a Hilltop Holdings Company, is our municipal financial advisor. They provide multiple services including

- Expertise in each area of general obligation securities: bond and tax anticipation notes, short-term (including commercial paper) and long-term debt.
- Offices and professionals across the U.S. that have the local knowledge necessary to effectively advise the City on issues specific to our particular region, such as local economic conditions, legal constraints and tax rate limitations.
- Direct and ongoing participation in the capital markets that gives a real-time state and national market sensitivity to make better decisions when considering debt issuance.
- Experience in representing governmental entities in negotiating long-term contracts for the provision of services, including analyses of privatization initiatives and outsourcing.
- Industry knowledge to develop comprehensive, informative and effective investor and ratings agency communications.
- Analytical tools and expertise to effectively model tax-supported capital improvement.
- In-house professionals in arbitrage rebate, asset management, capital markets, corporate finance, structured finance and continuing disclosure, are readily available to assist you.

The City entered into a Financial Advisory Services Agreement with First Southwest Company, a Division of Hilltop Securities Inc., hereinafter called “Hilltop Securities,” on August 14, 1997 (attached), which is currently in effect. The City has used their services over the years, including that issuance of indebtedness for the Series 2008A Certificates of Obligation (CO), and Series 2008 General Obligation (GO) and Certificates of Obligation Bonds (these were the only agreements I could find, but I don’t think I covered them all so feel free to correct this). The City also contracted with them on January 25, 2008, for continuing disclosure services. In connection with the sale and delivery of certain bonds, notes, certificates, or other municipal obligations, the City has made certain undertakings to disclose to the investing public, on a periodic and continuing basis, certain information (Again, this was the only agreement I could find).

There is an opportunity to refund some existing debt for an estimated total gross savings of $86,538. The refunding does not include the 1998 GO Bonds that were refunded in 2009 because those will be paid off this year. The proposed refunded bonds are comprised of the Series 2006 CO Bonds and Series 2008A CO Bonds, which are both currently callable. The proposed refunding debt is structured to mirror that of the old debt so there's no extension of the final maturity. The estimated total savings of $86,538 is after all assumed expenses and is realized over a 10-year period. This translates to about $8,600 of average annual savings per year. You can see the exact total per year on the first page of the attached numbers which are labeled "savings."

The refunding could be done by a private placement sale, which is where we solicit banks proposals to act as the sole purchaser of our bonds. This can be done quickly and is very cost efficient because we don't have to prepare an offering document, apply for and purchase a bond rating, or pay underwriter's fees.

The City is retiring approximately $155,063 in debt in August 2018. If the City were to consider issuing debt for any project, staff's best estimate at this time is that we could probably cover approximately $2.2 million in debt, at a 3.25% interest rate, without having to increase the debt service rate ($0.102829) of the City's tax rate ($0.661750).

Approximately 59% of the total General Fund revenue is generated from ad valorem taxes. The certified taxable value for 2018 was approximately 8.50% higher from the 2017 value. In April 2017, the Denton Central Appraisal District reported an initial property appraisal value of $3,088,026.16, and a final certified appraisal value of $2,927,203.88. This was a decrease of $160,823 (5.21 %) from initial appraisal value to certified value. In April 2018, the Denton Central Appraisal District reported an initial property appraisal value of $3,291,731.46 or $203,705 (6.60%) higher than last year. We will not have the certified value for 2019 until the end of July.

FINANCIAL CONSIDERATION:

The fee schedule for Hilltop Securities, per our agreement terms are as follows.

Hilltop Securities Fee Schedule	
Financial Advisory Services:	**Fee**
For the first $1,000,000 of bonds issued	$9,000
For the next $4,000,000 of bonds issued	plus $4 per $1,000

For the next $5,000,000 of bonds issued	plus $2 per $1,000
Thereafter	plus $1 per $1,000
The above charges shall be multiplied by 1.25 times for the completion of an application to a federal or state government agency of for the issuance of revenue bonds.	
The City is also responsible for other expenses including: bond counsel, bond printing, bond ratings, computer structuring, credit enhancements, CPA fees for refunding, official statement preparations and printing, paying agent/registrar/trustee, travel expenses, underwriter and underwriters counsel, and miscellaneous, including copy, delivery, and phone charges.	
Continuing Disclosure Services:	
For assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, if the City is exempt from requirements other than filing with the State Information Depository (SID).	$2,500 per year
For assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, if the City is not exempt from requirements other than filing with the Nationally Recognized Municipal Securities Information Repositories (NRMSIR's).	$3,500 per year
For assistance in preparation and distribution of each notice concerning occurrence of an Event or noncompliance with the Rule.	$100 minimum fee
For all time in excess of five hours spent in assisting with the preparation and distribution of each notice concerning occurrence of an event or noncompliance with the Rule.	Additional fee of $125 per hour

RECOMMENDED MOTIONS:

None, discussion only

ATTACHMENT(S):

1. Financial Advisory Services Agreement
2. Continuing Disclosure Services Agreement

3. Hilltop Securities Refunding Estimate
4. Hilltop Securities Fee Schedule
5. Lake Dallas Tax Rate Impact
6. Lake Dallas S&P Ratings Report

FINANCIAL ADVISORY AGREEMENT
By and Between
THE CITY OF LAKE DALLAS, TEXAS
and
FIRST SOUTHWEST COMPANY

Contracts

It is understood that the City of Lake Dallas, Texas (the "Issuer") will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot presently be determined and that in connection with the authorization, sale, issuance and delivery of such indebtedness of the Issuer, we have been requested to submit a proposal to provide professional services to the Issuer in the capacity of Financial Advisor. We are pleased to comply with this request and submit the following proposal for consideration. This proposal, if accepted by the Issuer, shall become the agreement (the "Agreement") between the Issuer and First Southwest Company ("First Southwest") effective at the date of its acceptance as provided for herein below.

A. This Agreement shall apply to any and all evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective.

B. First Southwest agrees to provide our professional services and our facilities as Financial Advisor and agree to direct and coordinate all programs of financing as may be considered and authorized during the period in which this Agreement shall be effective and to assume and pay those expenses set out in Appendix A, provided, however, that our obligations to pay expenses shall not include any costs incident to litigation, mandamus action, test case or other similar legal actions.

C. First Southwest agrees to perform the following duties normally performed by such financial advisors and all other duties as, in our judgment, may be necessary or advisable:

1. First Southwest will conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service debt. This survey will include an analysis of the existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secured payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed rate increases and additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration. First Southwest will also take into account future financing needs and operations as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.

c. Private Placement: Upon authorization by the Issuer and acting in its behalf, First Southwest will place privately the Debt Instruments directly with institutional investors for a market rate placement fee to be mutually agreed upon. The placement fee will be in addition to the fee set forth in Appendix A attached hereto. First Southwest will prepare and provide the prospective purchasers a Limited Offering Memorandum and other related documents.

6. When appropriate, First Southwest will advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.

7. First Southwest will coordinate the preparation of the Notice of Sale and Bidding Instructions, Official Statement, Official Bid Form and such other documents as may be required. First Southwest will submit to the Issuer all such documents for examination, approval and certification. After such examination, approval and certification, First Southwest will provide the Issuer with a supply of all such documents sufficient to its needs and will distribute by mail sets of the same to prospective bidders and to banks, life, fire and casualty insurance companies, investment counselors and other prospective purchasers of the Debt Instruments. First Southwest ill also provide sufficient copies of the final Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions.

8. First Southwest will, after consulting with the Issuer, arrange for such reports and opinions of recognized independent consultants First Southwest deem necessary and required in the successful marketing of the Debt Instruments.

9. Subject to the approval of the Issuer, First Southwest will organize and make arrangements for such investor information meetings as, in our judgment, may be necessary.

10. First Southwest will make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the Issuer, First Southwest will coordinate the preparation of such information as, in our opinion, is required for submission to the rating agency, or agencies. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, First Southwest will arrange for such personal presentations, including representatives from the Issuer.

11. First Southwest will assist the staff of the Issuer at any advertised sale of Debt Instruments in coordinating the receipt and tabulation and comparison of bids and First Southwest will advise the Issuer as to the best bid. First Southwest will provide the Issuer with our recommendation as to acceptance or rejection of such bid.

12. As soon as a bid for the Debt Instruments is accepted by the Issuer, First Southwest will proceed to coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible. First Southwest shall assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.

13. First Southwest will maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments. Bond Counsel will provide an unqualified legal opinion as to the legality of the issuance of the Debt Instruments at the time of delivery.

14. If requested, First Southwest will counsel with the Issuer in the selection of a Trustee and Paying Agent/Registrar for the Debt Instruments, and First Southwest will assist in the preparation of agreements pertinent to these services and the fees incident thereto.

15. In the event formal verification by an independent auditor of any calculations incident to the Debt Instruments is required, First Southwest will make arrangements for such services.

16. First Southwest agree to coordinate all work incident to printing and execution of the Debt Instruments.

17. After the closing of the sale and delivery of the Debt Instruments, First Southwest will deliver to the Issuer a schedule of annual debt service requirements of the Debt Instruments. In coordination with Bond Counsel, First Southwest will assure that the Paying Agent/Registrar has been provided with a copy of the authorizing ordinance, order or resolution.

18. First Southwest will attend any and all meetings of the governing body of the Issuer, its staff, representatives or committees as requested at all times when First Southwest may be of assistance or service and the subject of financing is to be discussed.

19. First Southwest will advise the Issuer and its staff of changes, proposed or enacted, in Federal and State laws and regulations which would affect the municipal bond market.

20. First Southwest will work with the Issuer, its staff and any consultants employed by the Issuer in developing financial feasibility studies and analyzing alternative financing plans.

D. In addition to the services set out above, First Southwest agree to provide the following services when so requested.

1. First Southwest will provide our advice as to the investment of certain funds of the Issuer. First Southwest will, when so directed, purchase those investments authorized to be purchased and, except for investment of the proceeds of Debt Instruments, First Southwest will charge a normal and customary commission for each such transaction.

2. First Southwest will provide our advice and assistance with regard to exercising and call and/or refunding of any outstanding Debt Instruments.

3. First Southwest will provide our advice and assistance in the development of, and financing for, any capital improvements programs of the Issuer.

4. First Southwest will provide our advice and assistance in the development of the long-range financing plan of the Issuer.

5. First Southwest will provide any other financing planning services as may be requested by the Issuer.

E. The fee due to First Southwest Company in accordance with Appendix A attached hereto, any other fees as may be mutually agreed and all expenses for which First Southwest Company is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.

F. This agreement shall become effective at the date of acceptance by the Issuer set out herein below and remain in effect thereafter until the financings contemplated hereunder have been completed, and may be extended by mutual agreement on an issue-by-issue basis, provided, however, this Agreement may be terminated without cause by the Issuer or First Southwest Company upon thirty (30) days' written notice. In the event of such termination, it is understood and agreed that only the amount due First Southwest Company for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

This Agreement is submitted in triplicate originals. When accepted by the Issuer, it, together with Appendix A attached hereto, will constitute the entire agreement between the Issuer and FSWC for the purposes and the considerations herein specified. Acceptance will be indicated by the signature of authorized officials of the Issuer together with the date of acceptance on all three copies and the return of two executed copies to FSWC.

Respectfully submitted,
FIRST SOUTHWEST COMPANY

By Hill A. Feinberg
Hill A. Feinberg
President and Chief Executive Officer

By W. Boyd London, Jr.
W. Boyd London, Jr.
Director

ACCEPTANCE CLAUSE

The above and foregoing is hereby in all things accepted and approved by the Issuer, the City of Lake Dallas, on this the 14TH day of AUGUST, 1997, by action of the City Council.

By [signature]

MAYOR

Title

ATTEST:

Patricia Chapman

Secretary

APPENDIX A

There is no minimum fee.

The fees due First Southwest Company will not exceed those contained in our customary fee schedule as listed below.

$9,000	for the first	$ 1,000,000 of bonds issued
plus $ 4.00 per $1,000	for the next	$ 4,000,000 of bonds issued
plus $ 2.00 per $1,000	for the next	$ 5,000,000 of bonds issued
plus $ 1.00 per $1,000	thereafter	

The above charges shall be multiplied by 1.25 times for the completion of an application to a federal or State government agency or for the issuance of revenue bonds, reflecting the additional services required.

The charges for ancillary services, including computer structuring and official statement printing, shall be levied in accordance with the applicable Internal Service Charge schedules of the Company, which are available upon request.

The payment of charges for financial advisory services shall be contingent upon the delivery of bonds and shall be due at the time that bonds are delivered.

The Client shall be responsible for the following expenses, whether they are charged to the Client directly as expenses or charged to the Client by the Company as reimbursable expenses:

Bond counsel
Bond printing
Bond ratings
Computer structuring
Credit enhancement
CPA fees for refunding
Official statement preparation and printing
Paying agent/registrar/trustee
Travel expenses
Underwriter and underwriters counsel
Miscellaneous, including copy, delivery, and phone charges

The payment of reimbursable expenses that the Company has assumed on behalf of the Client shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered.

AGREEMENT
FOR
CONTINUING DISCLOSURE SERVICES
BY AND BETWEEN

CITY OF LAKE DALLAS
(HEREINAFTER REFERRED TO AS THE "ISSUER")

AND
FSC DISCLOSURE SERVICES,
A DIVISION OF FIRST SOUTHWEST COMPANY

In connection with the sale and delivery of certain bonds, notes, certificates, or other municipal obligations (the "Bonds"), the Issuer has made certain undertakings to disclose to the investing public, on a periodic and continuing basis, certain information, as more fully set forth in such undertakings and as contemplated by the provisions of Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule").

The Issuer has agreed to engage FSC Disclosure Services, a Division of First Southwest Company ("Disclosure Services"), to assist it with these continuing disclosure obligations, for the consideration and on the terms and conditions set forth herein, including the preparation and submission of annual reports (the "annual reports") and the reporting of certain specified events (the "Events"), which are set forth in the Issuer's undertakings, the Rule and in Subsection 2c. below.

This agreement (the "Agreement") between the Issuer and the Disclosure Services shall become effective at the date of its acceptance as provided for below.

The parties agree as follows:

1. This Agreement shall apply to all issues of Bonds delivered subsequent to the effective date of the continuing disclosure requirements as specified in the Rule, to the extent that any particular issue does not qualify for exceptions to the continuing disclosure requirements of the Rule.

2. Disclosure Services agrees to perform the following duties in connection with providing services relating to the Issuer's continuing disclosure obligations:

a. assist the Issuer in compiling data determined or selected by the Issuer to be disclosed;

b. assist the Issuer in identifying other information to be considered by Issuer for continuing disclosure reporting purposes;

c. assist the Issuer in preparing the presentation of such information, to include annual reports containing financial information and operating data of the type provided in the final official statement of applicable issues, and notices concerning the occurrence of the specified Events and other items listed below:

1) Principal and interest payment delinquencies
2) Non-payment related defaults
3) Unscheduled draws on debt service reserves reflecting financial difficulties
4) Unscheduled draws on credit enhancements reflecting financial difficulties
5) Substitution of credit or liquidity providers, or their failure to perform
6) Adverse tax opinions or event affecting the tax-exempt status of the security
7) Modifications to rights of security holders
8) Bond calls
9) Defeasances
10) Release, substitution, or sale of property securing repayment of the securities
11) Rating changes
12) Noncompliance with the Rule

d. assist the Issuer in distributing or filing, in the Issuer's name, the above mentioned annual reports, notices and audited annual financial statements to Nationally Recognized Municipal Securities Information Repositories ("NRMSIR's"), the Municipal Securities Rulemaking Board, appropriate State Information Depository ("SID"), rating agencies, and other entities, as required by the Issuer's continuing disclosure obligations.

e. provide to the Issuer confirmation of distribution or dissemination of reports and notices.

3. Issuer acknowledges and agrees to the following:

a. Disclosure Services will be compensated for the performance of services with respect to assisting the Issuer with preparation and submission of continuing disclosure reports in accordance with the schedule as set forth below:

(i) $2,500 per year for assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, if Issuer is exempt from requirements other than filing with the SID, or

$3,500 per year for assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, if Issuer is not exempt from filing reports with the NRMSIR's, plus

(ii) $100 minimum fee for assistance in preparation and distribution of each notice concerning occurrence of an Event or noncompliance with the Rule; in addition, a fee of $125 per hour for all time in excess of five (5) hours spent in assisting with preparation and distribution of each notice concerning occurrence of an Event or noncompliance with the Rule.

b. Issuer will provide to Disclosure Services, and Disclosure Services shall be entitled to rely upon, all information regarding the issuance of the Bonds, including the final official statement and the Issuer's commitment or undertaking regarding continuing disclosure as contained in the resolution authorizing issuance of the Bonds or separate contract or agreement; annual financial information and operating data of the type provided in the final official statement, information concerning the occurrence of an Event or noncompliance with the Rule; and any other information necessary in connection with preparing continuing disclosure reports.

c. Issuer will provide to Disclosure Services, and Disclosure Services shall be entitled to rely upon, annual written confirmation of all outstanding Bond issues for which the issuer has a continuing disclosure obligation.

d. Issuer will provide to Disclosure Services all information required for preparation of each annual report, including financial information and operating data of the type provided in the final official statement and other information deemed necessary by Issuer, no later than 45 days prior to the date on which each annual report is due.

e. Issuer will provide full and complete copies of the audited annual financial statement no later than ten (10) days prior to the date on which it is due.

f. Issuer will notify Disclosure Services immediately upon the occurrence or immediately upon the Issuer's knowledge of the occurrence of each Event or noncompliance with the Rule, and the Issuer will immediately provide all information necessary for preparation of the notice of occurrence of each such Event or noncompliance with the Rule.

g. Issuer shall have the sole responsibility for determining the disclosure to be made in all cases, and the Issuer shall review and provide approval of the content and form of all continuing disclosure reports and notices. In the event of a disagreement between the Issuer and Disclosure Services regarding the disclosure to be made, either the Issuer or Disclosure Services may, but neither is obligated to, terminate this Agreement by written notice to the other party.

h. A separate annual report will be prepared and distributed for each type of security pledge in effect for outstanding financing issues or Bonds of the Issuer.

i. Issuer will inform Disclosure Services of the retirement of any Bonds included under the scope of this Agreement within 30 days of such retirement.

4. In the event that Disclosure Services and the Issuer determine that advice of counsel is appropriate with respect to any question concerning disclosure, then (i) the Issuer may consult with its counsel, or (ii) the Issuer may authorize Disclosure Services to seek legal advice from independent counsel regarding the disclosure. The Issuer agrees that it shall be responsible for the fees and expenses of its own counsel. The Issuer agrees to reimburse Disclosure Services the fees and expenses of independent

counsel, if paid by Disclosure Services, for advice rendered pursuant to authorization by the Issuer.

5. The Issuer agrees to hold harmless and to indemnify Disclosure Services and its employees, officers, directors, and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever (including attorneys' fees and expenses) which Disclosure Services may incur by reason of or in connection with the distribution of information in the disclosure reports in accordance with this Agreement, except to the extent such claims, damages, losses, liabilities, costs and expenses result directly from Disclosure Services' willful misconduct or gross negligence in the distribution of such information.

In order to provide for just and equitable contribution, if a claim for indemnification pursuant to the foregoing indemnification provision is made, but it is determined in an appropriate proceeding that such indemnification may not be enforced, even though the express provisions hereof provide for indemnification in such case, then the Issuer, on the one hand, and Disclosure Services, on the other hand, shall contribute to the claims, damages, losses, liabilities, costs and expenses to which Disclosure Services may be subject in accordance with the relative benefits received by Issuer, on the one hand, and Disclosure Services, on the other hand, and also the relative fault of Issuer, on the one hand, and Disclosure Services, on the other hand, in connection with the acts or omissions which resulted in such claims, damages, losses, liabilities, costs or expenses; and relevant equitable considerations shall also be considered. Notwithstanding the foregoing, Disclosure Services, shall not be obligated to contribute any amount hereunder that exceeds the amount of fees previously received by Disclosure Services pursuant to this Agreement.

6. The fees and expenses due to Disclosure Services in providing continuing disclosure services shall be calculated in accordance with Section 3a. of this Agreement. The fees will be invoiced each year during the term of the Agreement, unless terminated earlier, and fees will be payable within 30 days of receipt of invoice, except that the fees for the first year's service will be invoiced and be payable upon acceptance of this Agreement.

In addition, the Issuer agrees to reimburse Disclosure Services for the following expenses: (i) legal fees and expenses of counsel incurred by Disclosure Services pursuant to the terms of Section 4. above, and (ii) other out-of-pocket expenses reasonably incurred by Disclosure Services in performing its obligations hereunder. The Issuer shall remit payment for expenses to Disclosure Services within 30 days of receipt of invoice.

Bonds Issued Subsequent to Agreement

7. The provisions of this Agreement will include additional municipal bonds and financings (including financing lease obligations) issued during the stated term of this Agreement, if such bonds are subject to the continuing disclosure requirements. In this connection, the Issuer agrees that the Issuer will notify Disclosure Services of any municipal bonds and financing (including financing lease obligations) issued by the Issuer during any fiscal year of the Issuer during the term of this Agreement, and will provide Disclosure Services with such information as shall be necessary in order for Disclosure Services to perform the services contracted for hereunder.

Effective Dates of Agreement

8. This Agreement shall become effective at the date of acceptance by the Issuer as set out below and remain in effect thereafter for a period of five (5) years from the date of acceptance. Unless Disclosure Services or Issuer shall notify the other party in writing at least thirty (30) days in advance of the applicable anniversary date that this Agreement will not be renewed, this Agreement will be automatically renewed on the fifth anniversary of the date hereof for an additional one (1) year period and thereafter will be automatically renewed on each anniversary date for successive one (1) year periods. This agreement may be terminated with or without cause by the Issuer or Disclosure Services upon thirty (30) days' written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to Disclosure Services for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated prior to its stated term, all records provided to Disclosure Services by the Issuer shall be returned to the Issuer as soon as practicable. In addition, the parties hereto agree that upon termination of this Agreement Disclosure Services shall have no continuing obligation to the Issuer regarding any service contemplated herein. Notwithstanding the foregoing, all indemnification, hold harmless and/or contribution obligations, pursuant to Section 5 of this Agreement, shall survive any termination, regardless of whether the termination occurs as a result of the expiration of the term hereof or the Agreement is terminated sooner by either the Issuer or Disclosure Services under this Section 8, pursuant to Subsection 3g, or otherwise.

Provision of Notices

Provision of information, delivery of certification and notices of Events and noncompliance with the Rule, unless directed otherwise in writing, shall be sent to:

City of Lake Dallas
P.O. Box 368
Lake Dallas, TX 75065
Mr. Earl Berner
City Manager
Phone: (940) 497-2226
Fax: (940) 497-4485
Email: eberner@lakedallas.com

FSC Disclosure Services, a Division of First Southwest Company
325 North St. Paul Street, Suite 800
Dallas, Texas 75201
Attention: Nora Wittstruck
VP for Continuing Disclosure
Telephone: (214) 953-4073
Facsimile: (214) 953-4050
Email: nwittstruck@firstsw.com

Acceptance of Agreement

9. This Agreement is submitted in triplicate originals. When accepted by the Issuer, it will constitute the entire Agreement between the Issuer and Disclosure Services for the purposes and the consideration specified above.

Acceptance will be indicated on all copies and returned to Disclosure Services. An executed original will be returned for your files.

Respectfully submitted,

FSC Disclosure Services, a Division of First Southwest Company

By Hill A. Feinberg
Hill A. Feinberg
Chairman and Chief Executive Officer

By Nora Wittstruck
Nora Wittstruck
Vice President

Date ______________________

ACCEPTANCE CLAUSE

The above and foregoing is hereby in all things accepted and approved by the City of Lake Dallas, on this the 25th day of January, 2008.

By Earl A. Berner
Authorized Representative

City Manager
Title

SAVINGS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Date	Prior Debt Service	Refunding Debt Service	Savings
09/30/2018	28,410.00	26,686.25	1,723.75
09/30/2019	191,820.00	181,387.50	10,432.50
09/30/2020	186,114.00	178,012.50	8,101.50
09/30/2021	185,408.00	174,637.50	10,770.50
09/30/2022	189,490.00	181,262.50	8,227.50
09/30/2023	188,150.00	177,662.50	10,487.50
09/30/2024	191,598.00	184,062.50	7,535.50
09/30/2025	189,624.00	180,237.50	9,386.50
09/30/2026	187,438.00	181,412.50	6,025.50
09/30/2027	65,040.00	57,475.00	7,565.00
09/30/2028	62,520.00	56,237.50	6,282.50
	1,665,612.00	1,579,073.75	86,538.25

Savings Summary

Savings PV date	07/12/2018
Savings PV rate	2.995860%
PV of savings from cash flow	75,596.44
Net PV Savings	75,596.44

Note: Preliminary; For Discussion Purposes Only

SUMMARY OF REFUNDING RESULTS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Dated Date	07/12/2018
Delivery Date	07/12/2018
Arbitrage yield	2.250128%
Escrow yield	0.000000%
Value of Negative Arbitrage	
Bond Par Amount	1,420,000.00
True Interest Cost	2.250128%
Net Interest Cost	2.250000%
All-In TIC	2.995860%
Average Coupon	2.250000%
Average Life	4.979
Par amount of refunded bonds	1,345,000.00
Average coupon of refunded bonds	4.222592%
Average life of refunded bonds	5.198
PV of prior debt to 07/12/2018 @ 2.995860%	1,447,888.27
Net PV Savings	75,596.44
Percentage savings of refunded bonds	5.620553%

Note: Preliminary; For Discussion Purposes Only

SOURCES AND USES OF FUNDS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Dated Date	07/12/2018
Delivery Date	07/12/2018

Sources:	
Bond Proceeds:	
Par Amount	1,420,000.00
	1,420,000.00

Uses:	
Refunding Escrow Deposits:	
Cash Deposit	1,372,291.83
Delivery Date Expenses:	
Cost of Issuance	47,708.17
	1,420,000.00

Note: Preliminary; For Discussion Purposes Only

BOND SUMMARY STATISTICS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Dated Date	07/12/2018
Delivery Date	07/12/2018
First Coupon	08/01/2018
Last Maturity	08/01/2028
Arbitrage Yield	2.250128%
True Interest Cost (TIC)	2.250128%
Net Interest Cost (NIC)	2.250000%
All-In TIC	2.995860%
Average Coupon	2.250000%
Average Life (years)	4.979
Duration of Issue (years)	4.668
Par Amount	1,420,000.00
Bond Proceeds	1,420,000.00
Total Interest	159,073.75
Net Interest	159,073.75
Bond Years from Dated Date	7,069,944.44
Bond Years from Delivery Date	7,069,944.44
Total Debt Service	1,579,073.75
Maximum Annual Debt Service	184,062.50
Average Annual Debt Service	157,078.35
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	1,420,000.00	100.000	2.250%	4.979
	1,420,000.00			4.979

	TIC	All-In TIC	Arbitrage Yield
Par Value	1,420,000.00	1,420,000.00	1,420,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-47,708.17	
- Other Amounts			
Target Value	1,420,000.00	1,372,291.83	1,420,000.00
Target Date	07/12/2018	07/12/2018	07/12/2018
Yield	2.250128%	2.995860%	2.250128%

Note: Preliminary; For Discussion Purposes Only

BOND DEBT SERVICE

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Period Ending	Principal	Interest	Debt Service
09/30/2018	25,000	1,686.25	26,686.25
09/30/2019	150,000	31,387.50	181,387.50
09/30/2020	150,000	28,012.50	178,012.50
09/30/2021	150,000	24,637.50	174,637.50
09/30/2022	160,000	21,262.50	181,262.50
09/30/2023	160,000	17,662.50	177,662.50
09/30/2024	170,000	14,062.50	184,062.50
09/30/2025	170,000	10,237.50	180,237.50
09/30/2026	175,000	6,412.50	181,412.50
09/30/2027	55,000	2,475.00	57,475.00
09/30/2028	55,000	1,237.50	56,237.50
	1,420,000	159,073.75	1,579,073.75

Note: Preliminary; For Discussion Purposes Only

BOND DEBT SERVICE

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
08/01/2018	25,000	1,686.25	26,686.25	
09/30/2018				26,686.25
02/01/2019		15,693.75	15,693.75	
08/01/2019	150,000	15,693.75	165,693.75	
09/30/2019				181,387.50
02/01/2020		14,006.25	14,006.25	
08/01/2020	150,000	14,006.25	164,006.25	
09/30/2020				178,012.50
02/01/2021		12,318.75	12,318.75	
08/01/2021	150,000	12,318.75	162,318.75	
09/30/2021				174,637.50
02/01/2022		10,631.25	10,631.25	
08/01/2022	160,000	10,631.25	170,631.25	
09/30/2022				181,262.50
02/01/2023		8,831.25	8,831.25	
08/01/2023	160,000	8,831.25	168,831.25	
09/30/2023				177,662.50
02/01/2024		7,031.25	7,031.25	
08/01/2024	170,000	7,031.25	177,031.25	
09/30/2024				184,062.50
02/01/2025		5,118.75	5,118.75	
08/01/2025	170,000	5,118.75	175,118.75	
09/30/2025				180,237.50
02/01/2026		3,206.25	3,206.25	
08/01/2026	175,000	3,206.25	178,206.25	
09/30/2026				181,412.50
02/01/2027		1,237.50	1,237.50	
08/01/2027	55,000	1,237.50	56,237.50	
09/30/2027				57,475.00
02/01/2028		618.75	618.75	
08/01/2028	55,000	618.75	55,618.75	
09/30/2028				56,237.50
	1,420,000	159,073.75	1,579,073.75	1,579,073.75

Note: Preliminary; For Discussion Purposes Only

BOND PRICING

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	08/01/2018	25,000	2.250%	2.250%	100.000
	08/01/2019	150,000	2.250%	2.250%	100.000
	08/01/2020	150,000	2.250%	2.250%	100.000
	08/01/2021	150,000	2.250%	2.250%	100.000
	08/01/2022	160,000	2.250%	2.250%	100.000
	08/01/2023	160,000	2.250%	2.250%	100.000
	08/01/2024	170,000	2.250%	2.250%	100.000
	08/01/2025	170,000	2.250%	2.250%	100.000
	08/01/2026	175,000	2.250%	2.250%	100.000
	08/01/2027	55,000	2.250%	2.250%	100.000
	08/01/2028	55,000	2.250%	2.250%	100.000
		1,420,000			

Dated Date	07/12/2018	
Delivery Date	07/12/2018	
First Coupon	08/01/2018	
Par Amount	1,420,000.00	
Original Issue Discount		
Production	1,420,000.00	100.000000%
Underwriter's Discount		
Purchase Price	1,420,000.00	100.000000%
Accrued Interest		
Net Proceeds	1,420,000.00	

Note: Preliminary; For Discussion Purposes Only

BOND SUMMARY STATISTICS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Dated Date	07/12/2018
Delivery Date	07/12/2018
First Coupon	08/01/2018
Last Maturity	08/01/2028
Arbitrage Yield	2.250128%
True Interest Cost (TIC)	2.250128%
Net Interest Cost (NIC)	2.250000%
All-In TIC	2.995860%
Average Coupon	2.250000%
Average Life (years)	4.979
Duration of Issue (years)	4.668
Par Amount	1,420,000.00
Bond Proceeds	1,420,000.00
Total Interest	159,073.75
Net Interest	159,073.75
Bond Years from Dated Date	7,069,944.44
Bond Years from Delivery Date	7,069,944.44
Total Debt Service	1,579,073.75
Maximum Annual Debt Service	184,062.50
Average Annual Debt Service	157,078.35
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	1,420,000.00	100.000	2.250%	4.979
	1,420,000.00			4.979

	TIC	All-In TIC	Arbitrage Yield
Par Value	1,420,000.00	1,420,000.00	1,420,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-47,708.17	
- Other Amounts			
Target Value	1,420,000.00	1,372,291.83	1,420,000.00
Target Date	07/12/2018	07/12/2018	07/12/2018
Yield	2.250128%	2.995860%	2.250128%

Note: Preliminary; For Discussion Purposes Only

SUMMARY OF BONDS REFUNDED

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
$1,635,000 Combination Tax & Surplus Revenue Certificate of Obligation Series 2006, 2006:					
SERIAL	08/01/2019	4.240%	90,000.00	07/12/2018	100.000
	08/01/2020	4.240%	90,000.00	07/12/2018	100.000
	08/01/2021	4.240%	95,000.00	07/12/2018	100.000
	08/01/2022	4.240%	100,000.00	07/12/2018	100.000
	08/01/2023	4.240%	105,000.00	07/12/2018	100.000
	08/01/2024	4.240%	110,000.00	07/12/2018	100.000
	08/01/2025	4.240%	115,000.00	07/12/2018	100.000
	08/01/2026	4.240%	120,000.00	07/12/2018	100.000
			825,000.00		
$860,000 Combination Tax & Revenue Certificates of Obligation Series 2008A, 2008A:					
SERIAL	08/01/2019	4.200%	45,000.00	08/13/2018	100.000
	08/01/2020	4.200%	45,000.00	08/13/2018	100.000
	08/01/2021	4.200%	45,000.00	08/13/2018	100.000
	08/01/2022	4.200%	50,000.00	08/13/2018	100.000
	08/01/2023	4.200%	50,000.00	08/13/2018	100.000
	08/01/2024	4.200%	55,000.00	08/13/2018	100.000
	08/01/2025	4.200%	55,000.00	08/13/2018	100.000
	08/01/2026	4.200%	55,000.00	08/13/2018	100.000
	08/01/2027	4.200%	60,000.00	08/13/2018	100.000
	08/01/2028	4.200%	60,000.00	08/13/2018	100.000
			520,000.00		
			1,345,000.00		

Note: Preliminary; For Discussion Purposes Only

ESCROW REQUIREMENTS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Period Ending	Interest	Principal Redeemed	Total
07/12/2018	15,643.83	825,000.00	840,643.83
08/01/2018	10,920.00		10,920.00
08/13/2018	728.00	520,000.00	520,728.00
	27,291.83	1,345,000.00	1,372,291.83

Note: Preliminary; For Discussion Purposes Only

ESCROW COST

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
07/12/2018		1,372,291.83	1,372,291.83
	0	1,372,291.83	1,372,291.83

Note: Preliminary; For Discussion Purposes Only

ESCROW STATISTICS

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:						
1,372,291.83				1,372,291.83		
1,372,291.83				1,372,291.83	0.00	0.00

Delivery date	07/12/2018
Arbitrage yield	2.250128%

Note: Preliminary; For Discussion Purposes Only

PRIOR BOND DEBT SERVICE

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

$1,635,000 Combination Tax & Surplus Revenue Certificate of Obligation Series 2006 (2006)

Period Ending	Principal	Interest	Debt Service
09/30/2018		17,490	17,490
09/30/2019	90,000	34,980	124,980
09/30/2020	90,000	31,164	121,164
09/30/2021	95,000	27,348	122,348
09/30/2022	100,000	23,320	123,320
09/30/2023	105,000	19,080	124,080
09/30/2024	110,000	14,628	124,628
09/30/2025	115,000	9,964	124,964
09/30/2026	120,000	5,088	125,088
	825,000	183,062	1,008,062

Note: Preliminary; For Discussion Purposes Only

PRIOR BOND DEBT SERVICE

City of Lake Dallas, TX
General Obligation Refunding Bonds, Series 2018
Assumes a Private Placement Rate of 2.25%

$860,000 Combination Tax & Revenue Certificates of Obligation Series 2008A (2008A)

Period Ending	Principal	Interest	Debt Service
09/30/2018		10,920	10,920
09/30/2019	45,000	21,840	66,840
09/30/2020	45,000	19,950	64,950
09/30/2021	45,000	18,060	63,060
09/30/2022	50,000	16,170	66,170
09/30/2023	50,000	14,070	64,070
09/30/2024	55,000	11,970	66,970
09/30/2025	55,000	9,660	64,660
09/30/2026	55,000	7,350	62,350
09/30/2027	60,000	5,040	65,040
09/30/2028	60,000	2,520	62,520
	520,000	137,550	657,550

Note: Preliminary; For Discussion Purposes Only

Hilltop Securities Fee Schedule

Financial Advisory Services:	Fee
For the first $1,000,000 of bonds issued	$9,000
For the next $4,000,000 of bonds issued	plus $4 per $1,000
For the next $5,000,000 of bonds issued	plus $2 per $1,000
Thereafter	plus $1 per $1,000
The above charges shall be multiplied by 1.25 times for the completion of an application to a federal or state government agency of for the issuance of revenue bonds.	
The City is also responsible for other expenses including: bond counsel, bond printing, bond ratings, computer structuring, credit enhancements, CPA fees for refunding, official statement preparations and printing, paying agent/registrar/trustee, travel expenses, underwriter and underwriters counsel, and miscellaneous, including copy, delivery, and phone charges.	
Continuing Disclosure Services:	
For assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, if the City is exempt from requirements other than filing with the State Information Depository (SID).	$2,500 per year
For assistance in preparation and distribution of each annual report and assistance in distribution of audited annual financial statements, if the City is not exempt from requirements other than filing with the Nationally Recognized Municipal Securities Information Repositories (NRMSIR's).	$3,500 per year
For assistance in preparation and distribution of each notice concerning occurrence of an Event or noncompliance with the Rule.	$100 minimum fee
For all time in excess of five hours spent in assisting with the preparation and distribution of each notice concerning occurrence of an event or noncompliance with the Rule.	Additional fee of $125 per hour

City of Lake Dallas, TX

Tax Rate Impact Analysis

Combination Tax & Revenue Certificates of Obligation, Series 2019

A	B	C	D	E	F	G	H	I	J
					NET Project Funds:		*$880,000*		
					$945,000- 2019 Certificates Delivered 2/7/19 - 3.98% TIC[(2)]				
FYE	Assessed Valuation[(1)]	Estimated AV Growth	Total Existing Tax Supported Debt Service	Less: Self Supporting Debt Service	Principal	Interest	Total	Aggregate Net Tax Supported Debt Service	Estimated I&S Tax Rate
2018	438,159,570	8.55%	$ 659,363	$ (209,480)				$ 449,883	**0.1027**
2019	438,159,570	0.00%	507,470	(208,843)				298,627	**0.0682**
2020	438,159,570	0.00%	505,142	(204,928)	$ 20,000	$ 51,167	$ 71,167	371,381	**0.0848**
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			$ 5,219,502	$ (1,284,210)	$ 945,000	$ 436,777	$ 1,381,777	$ 4,523,193	
								Current Tax Rate	**$ 0.1027**
								Maximum Tax Rate	**$ 0.1027**
								Tax Rate Impact	**$ -**

Notes:

(1) Fiscal Year 2018 assessed valuation provided by the Municipal Advisory Council of Texas

(2) Assumes Preliminary BQ interest rates as of 5/3/18 + 50bps; Assumes $65K total cost of issuance

PRELIMINARY - FOR ILLUSTRATIVE PURPOSES ONLY, SUBJECT TO CHANGE.

HilltopSecurities
A Hilltop Holdings Company.

S&P Global
Ratings

RatingsDirect®

Summary:

Lake Dallas, Texas; General Obligation

Primary Credit Analyst:
James Hobbs, Dallas (972) 367-3345; Andy.Hobbs@spglobal.com

Secondary Contact:
Kimberly Barrett, Centennial; Kimberly.Barrett@spglobal.com

Table Of Contents

Summary:

Lake Dallas, Texas; General Obligation

Credit Profile		
Lake Dallas GO		
Long Term Rating	AA-/Stable	Upgraded
Lake Dallas GO		
Unenhanced Rating	AA-(SPUR)/Stable	Upgraded
Many issues are enhanced by bond insurance.		

Rationale

S&P Global Ratings raised its long-term rating and underlying rating on the city of Lake Dallas, Texas' general obligation (GO) debt outstanding to 'AA-' from 'A-'. The outlook is stable.

The raised rating is reflective of the city's maintenance of stable budgetary performance and solid reserves following years in which its reserve position was weak. The raised rating also reflects improvements in fiscal management policies, most notably a recently established formal reserve policy. The city's financial management score has improved to good from standard. The GO bonds are secured by the city's ad valorem tax pledge, within the limits prescribed by law. The state maximum for city tax rates is $2.50 per $100 of assessed value (AV); the city is currently levying 66.8 cents per $100 of AV, which is well under the state cap. Given the remaining flexibility under the state cap coupled with the city's rating level and available liquidity, we are rating the series 2017 obligations and existing parity debt under our GO limited tax criteria and on par with our GO criteria.

The rating reflects our assessment of the following factors for the city:

- Adequate economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with "good" financial policies and practices under our financial management assessment (FMA) methodology;
- Strong budgetary performance, with an operating surplus in the general fund but a slight operating deficit at the total governmental fund level in fiscal 2016;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2016 of 25% of operating expenditures;
- Very strong liquidity, with total government available cash at 33.6% of total governmental fund expenditures and 3.9x governmental debt service, and access to external liquidity that we consider strong;
- Adequate debt and contingent liability position, with debt service carrying charges at 8.5% of expenditures and net direct debt that is 72.5% of total governmental fund revenue, as well as rapid amortization, with 88.1% of debt scheduled to be retired in 10 years; and
- Strong institutional framework score.

Adequate economy

We consider Lake Dallas' economy adequate. The city, with an estimated population of 7,400, is located in Denton County in the Dallas-Fort Worth-Arlington MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 111% of the national level and per capita market value of $54,546. Overall, the city's market value grew by 7.3% over the past year to $403.6 million in 2017. The county unemployment rate was 3.6% in 2015.

The city of Lake Dallas is located along Lewisville Lake, roughly 30 miles northeast of downtown Dallas. The city has generally experienced modest but stable annual growth in total market value in the past several years. The city's current taxable value of $403.6 million reflects a 7.3% growth over the previous year. The city's top 10 taxpayers are very diverse and only account for 9% of the city's total market value. City officials report that with the widening and reconstruction of Interstate 35-East, the city is experiencing major redevelopment of commercial space along the interstate and Swisher corridors. In 2016, the city saw the completion of a large apartment project valued at $8 million. In 2017, the city anticipates the redevelopment of a large industrial tract for redevelopment as retail space, which is being driven by an expansion of a gas and convenience station. The city will also complete phase one of its main street redevelopment project, which will help facilitate the revitalization of the city's downtown corridor. New residential product being built in the city is selling at a much higher per square foot value than the previously built housing stock. In 2017, the city anticipates a number of residential infill projects. The city will increase its minimum home sizes and make several other upgrades to the building requirements that should raise the home value of new construction. Given ongoing development in the area, the city's market value is expected to experience modest annual growth in the near term.

Strong management

We view the city's management as strong, with "good" financial policies and practices under our Financial Management Assessment methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

Improvement in the city's financial management score is reflective of its recent prudent formalization of financial management policies. Budget assumptions are made through a combination of historical data, projection models, and known modifiers such as construction or staffing level changes. The city does use outside data such as sales tax monitoring program, and demographic work through an economic development contractor. Optimistic assumptions have recently included budgeting for sales tax increases based on long-term trends when recent trends were flat or down. Budget amendments while uncommon can occur at any time when requested. Budget performance is presented to council on a monthly basis. The city does not a have formally adopted long-range financial plan, but is in the beginning phases of developing one. In late 2016, the city council participated in a series of exercises that resulted in the city's first strategic plan. The city is now in the process of developing capital improvement plan and long range plans to align with the goals laid out in the strategic plan. For fiscal 2016-2017, the city adopted a new investment policy modeled after the Government Treasure's Organization of Texas' best practices. The city does maintain a basic debt management policy that is widely communicated and followed. The city's debt management policy includes authority and the conditions for the use of debt, debt limits, as well as general management policies. The city has a formally adopted reserve policy that sets a minimum reserve position of 60 days of operations, a target balance of 75 to 90 days of operations, and a maximum of 120 days of operations. The city is currently in compliance with the reserve policy.

In August 2016, the city hired a new City Manager. Since that time the city has been updating and changing its approach to finances. Beginning in fiscal 2017 the city has moved a fund accounting model of budgeting. As part of the city's strategic plan the city has made financial transparency one of its top priorities and established goals of developing and adopting written financial policies. We view the city's recent adoption of formal fiscal management policies as a particular strength which in part offsets risks associated with reliance on volatile revenues such as sales taxes.

Strong budgetary performance

Lake Dallas' budgetary performance is strong in our opinion. The city had surplus operating results in the general fund of 2.3% of expenditures, but a slight deficit result across all governmental funds of negative 0.9% in fiscal 2016.

Following weakness in budgetary performance from 2010 to 2012, the operating performance of the city has improved. Budgetary performance remains stable. Fiscal 2016's general fund revenues were primarily derived from property tax (47%) and sales tax collections (19.9%). Similar to other municipalities, the city's major expenditure is public safety, accounting for 54.6% of general fund expenditures in 2016. Following a $128,334 transfer into the general fund, the city's general fund experienced a modest operating deficit in 2016 of $23,633. Affecting the fiscal 2016 budgetary performance was a 13.6% decline in sales tax collections or $94,219 below budgeted collections. Despite the decline, other revenue streams remained stable. Given current estimates, we anticipate balanced operations going forward into fiscal 2017. Given the reliance on a volatile revenue stream such as sales taxes, future credit reviews will continue to examine the city's ability to maintain a trend of balanced operations.

Very strong budgetary flexibility

Lake Dallas' budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2016 of 25% of operating expenditures, or $1.1 million. Over the past several years, the city's available reserve position increased significantly which contributed to the improvement in the city's budgetary flexibility score as well as our decision to raise the rating. In fiscal 2014, positive budgetary performance led to a significant operating surplus in the general fund and a year-end unassigned general fund balance of $539,018, which was a significant increase over the previous year's negative balance. Then in fiscal 2015, the city's general fund realized significant one-time windfalls from the dissolution of the Economic Development Corp. and the Lake Cities Library. Monies transferred into the general fund from the dissolutions equaled a significant $845,206. As of 2016, the city's reserve position was still solid at $1.27 million, reflecting previous one-time transfers.

The city reports that the transfers from the library board and EDC are still being held in the general fund as unrestricted fund balance. In fiscal 2017, it is anticipated that the EDC monies will be moved to an account labeled General Fund: Capital Improvements. Despite expected use of the reserve for future capital projects, the city has a goal to maintain a 90-day general fund reserve and has recently established a formal policy as such. Moving forward we anticipate a very strong budgetary flexibility position to be maintained.

Very strong liquidity

In our opinion, Lake Dallas' liquidity is very strong, with total government available cash at 33.6% of total governmental fund expenditures and 3.9x governmental debt service in 2016. In our view, the city has strong access to external liquidity if necessary.

We do not anticipate the liquidity position to change significantly in the near term. A majority of the city's investments are held in certificates of deposits and state pools with maturities less than 12 months, which we consider nonaggressive and liquid. The city has demonstrated its ability to access the capital markets by frequently issuing GO bonds during the past 15 years.

Adequate debt and contingent liability profile

In our view, Lake Dallas' debt and contingent liability profile is adequate. Total governmental fund debt service is 8.5% of total governmental fund expenditures, and net direct debt is 72.5% of total governmental fund revenue. Approximately 88.1% of the direct debt is scheduled to be repaid within 10 years, which is in our view a positive credit factor.

The city does not have variable-rate debt or swaps in its debt portfolio. The city has no contingent liabilities or other obligations that are expected to cause any challenges in the near-term. The city does have roughly $3.9 million in privately placed debt with local banks. We do not believe the privately placed debt presents any additional risk to the city's debt profile at this time. Officials report a potential street bond project that could be possibly taken to voters around May 2018, yet no specific amounts or timing of issuance has been determined at this time.

Lake Dallas' pension contributions totaled 4.3% of total governmental fund expenditures in 2016. The city made its full annual required pension contribution in 2016. The city is a member of the Texas Municipal Retirement System, which is a statewide, nontraditional, joint contributory, hybrid defined-benefit plan covering all eligible employees. In 2016, Lake Dallas contributed $224,395 to the plan, which was equal to the required contribution. As of Sept. 30, 2016, the plan's fiduciary net position as a percent of liability was 85.4%. The city does not provide any other post-employment benefits.

Strong institutional framework

The institutional framework score for Texas municipalities is strong.

Outlook

The stable outlook reflects the city's continued stable financial performance, including an improved and strong reserve position. Expected near-term growth and commercial development will also contribute to the city's stable local economy. We also view the city's recent adoption of formal fiscal management policies as a stabilizing factor. We do not expect to change the rating during the next two years.

Upside scenario

Continued growth in the local economy leading to improved wealth and income levels could lead us to raise the rating. Likewise, improvement in the city's debt metrics could have a positive impact on the rating.

Downside scenario

Deterioration in the city's financial position or inability to maintain a trend of strong financial metrics, at current levels, could negatively impact the rating. Despite recent challenges the city has faced, we do not anticipate weakening of the city's finances in our two-year time horizon.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

Contacts

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Dallas, Texas 75270

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May 24, 2018

Overview of FirstSouthwest/Hilltop Securities Inc.

HilltopSecurities
A Hilltop Holdings Company.

Introduction to HilltopSecurities

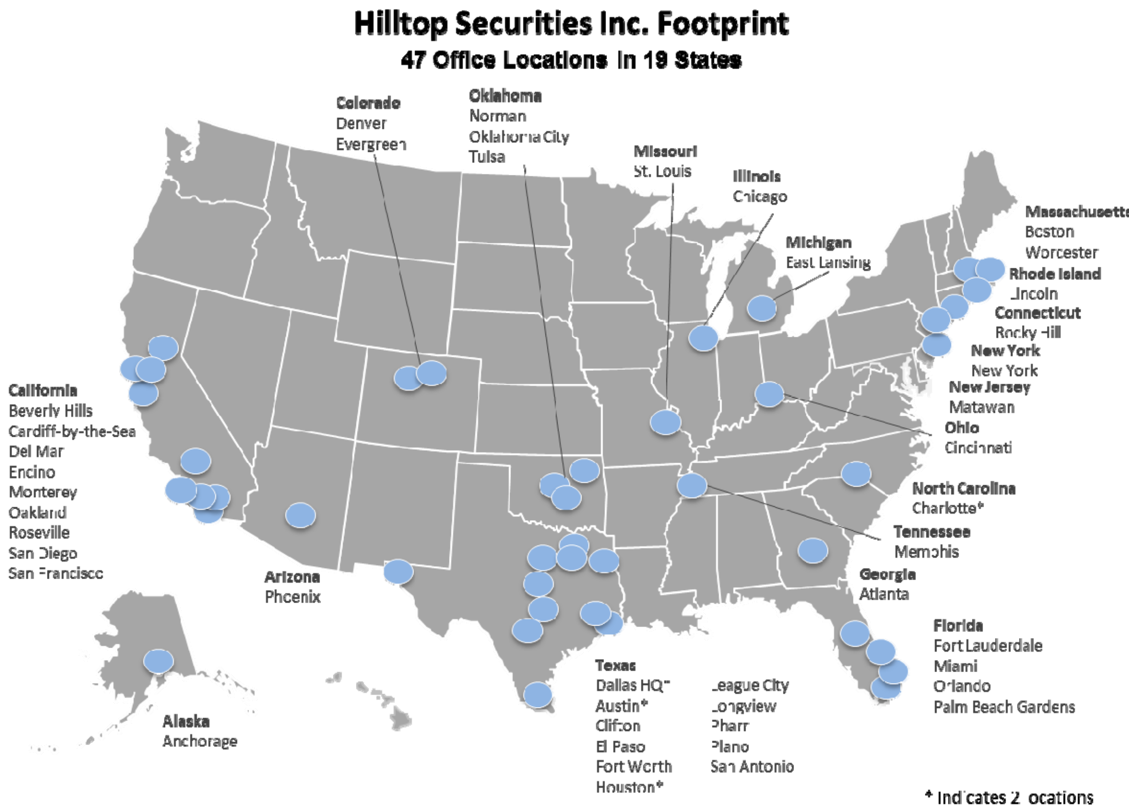
A Trusted Leader in Public Finance

- More than 70 years of industry experience and approximately 223 employees committed to public finance

- Our Municipal Products Include:

Municipal Advisory
Underwriting
Investment Banking
Structured Finance
Continuing Disclosure
Government Investment Pools
Asset Management
Arbitrage Rebate
Pension and OPEB Consulting

HilltopSecurities National Platform



Overview of HilltopSecurities

A Trusted Leader in Public Finance

- A leader in public finance since 1946 with a national presence

- Involved in an average of 26 deals, totaling approximately $1.2 billion par amount per week as municipal advisor or underwriter

- **Public finance is a top priority for HilltopSecurities**, supported by underwriting professionals who assist municipal advisory clients, providing firsthand market knowledge and insight

- Registered Broker/Dealer with transparency and accountability. Subject to SEC, MSRB and FINRA rules and regulations

Municipal Market Experience

Extensive Volume Nationally

- Since 2013, HilltopSecurities has provided municipal services on 6,807 transactions totaling more than $347 billion as municipal advisor or underwriter

- On average, HilltopSecurities is involved in **26 financings per week** as either municipal advisor or underwriter

Municipal Advisor Experience		
Year	**No. of Issues**	**Par ($mils)**
2013	1,025	29,951
2014	1,013	37,564
2015	1,016	39,155
2016	1,044	40,021
2017	946	44,194
Total	**5,044**	**$191,886**

Underwriting Experience (Senior Manager or Co-Manager)		
Year	**No. of Issues**	**Par ($mils)**
2013	464	42,682
2014	384	28,580
2015	394	28,208
2016	318	29,404
2017	203	27,167
Total	**1,763**	**$156,041**

Role	No. of Issues	Par ($mils)
Underwriter	1,763	156,041
Municipal Advisor	5,044	191,886
Total	**6,807**	**$347,927**

Source: Ipreo MuniAnalytics

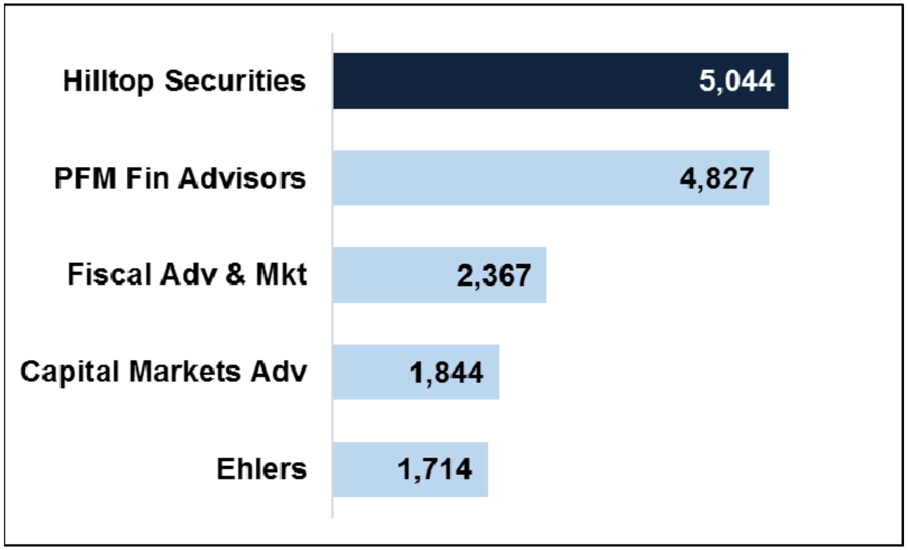
Ranked #1 Municipal Advisor

Top Municipal Advisor Nationally

National Municipal Advisor Rankings

January 1, 2013 – December 31, 2017

Number of Issues



- For the five-year period ending December 31, 2017, HilltopSecurities is the **number-one ranked municipal advisor in the nation**, based on number of issues, with 5,044 issues completed for a par amount of $191.88 billion.

Source: Ipreo MuniAnalytics

Note: The table above includes issues from both Southwest Securities, Inc. and First Southwest Company, LLC. The two firms merged on January 22, 2016.

Municipal Bonds

What Are Municipal Bonds

- A debt security or debt obligation issued by or on behalf of a local authority or a political subdivision
- The debt security for the local authority or political subdivision is like an IOU
- The debt security for the investor is like a loan that gets repaid, usually with interest
- Political Subdivisions utilize municipal bonds to create a better asset/liability match

Source: Ipreo MuniAnalytics

Customary Phases in Municipal Bond Issuance Process

PHASE 1 | PHASE 2 | PHASE 3 | PHASE 4 | PHASE 5 | PHASE 6 | PHASE 7

Customary Phases in Municipal Bond Issuance Process

PHASE 1	PHASE 2	PHASE 3	PHASE 4	PHASE 5	PHASE 6	PHASE 7
Develop Financing Program	Set Financing Terms	Coordinate Related Service Providers	Prepare Documents	Coordinate Rating and Credit Process	Conduct Marketing and Sale of Debt	Closing and Post-Closing

Source: Ipreo MuniAnalytics

Issuance Type as Determined by Security Pledge

- General Obligation Bonds/Certificates of Obligation
  - Property tax pledge
  - Other revenue pledges, such as surplus utility revenues, may be required

- Enterprise Fund Revenues, such as water and sewer
  - Payable solely from net revenues of the operating utility system after O&M expenses net of depreciation

- Special Revenue Pledges
  - Sales taxes
  - Special assessments (PIDs) and tax increments (TIF or TIRZ)

Municipal Bonds Must have Some Form of Authorization before Issuance

General Obligation Bonds (GO)

- Require bond election for authorization
- Issued for any public purpose not to exceed 40 years
  - Real Property
  - Personal Property
  - Legal Judgment
  - Land Acquisition
- Secured by issuer's full faith, credit and ad valorem taxing power
- Attracts low interest rates

Certificates of Obligation (CO)

- Require no voter authorization
  - A petition signed by 5% of the eligible voters can force an election
- Notice of Intent to Issue is required
  - Publish in the local paper on the same day of two consecutive weeks
  - First notice must be published at least 30 days prior to the sale date
- When secured solely by ad valorem taxes, issued for limited purposes such as land acquisition, judgment funding or purchase of heavy equipment
- When secured by an ad valorem tax and a revenue pledge, issued for any lawful purpose just as GOs
- Sell at interest rates similar to GO Bonds

Revenue Bonds

- Require no voter authorization
- Issued for revenue producing operating systems/projects
  - Water System
  - Sewer System
  - Sanitation
  - Sales Tax
  - Special Projects
  - Other
- Secured solely by revenues of the operating system
- Sell at interest rates 5 to 10 basis points higher than comparable GOs
- Requires a reserve fund
- Requires minimum coverage (approximately 1.25X or higher)

Contract Revenue Bonds

- Require no voter authorization
- Secured by either tax, revenue, or both
- Issued for capital improvements
- Entity contracts for capital improvements with third party entities
  - Existing entities (e.g., River Authorities, etc.)
  - Newly created subdivision by entity
- Sell at interest rates similar to revenue bonds

Professionals Involved in the Debt Issuance Process

Financial Advisor

- Advises the issuer on all matters regarding bond issuance
- Issuer's representative in and to the bond market
- Fiduciary duty to the issuer

Bond Counsel

- Counsel retained by the issuer to give legal opinions that the issuer is authorized to issue the bonds
- Provides legal opinion on the tax status of the bonds
- Prepares bond documents with input from financing team

Underwriters / Placement Agents

- Securities dealer which purchases municipal securities for resale; either by competitive or negotiated sale, and may purchase the securities in a group with other underwriters (an underwriting syndicate)

Underwriter's Counsel / Disclosure Counsel*

- Underwriter's Counsel represents the underwriter and works toward accurate disclosure in the offering documents
- Disclosure Counsel conducts independent due diligence to ensure complete and accurate disclosure in offering documents

Paying Agent / Escrow Agent*

- Paying Agent tracks ownership of the securities and coordinates distribution of funds for debt service payments from the issuer to the bondholders
- Escrow Agent holds bond proceeds in an escrow and distributes funds as described in the bond documents

Rating Agencies*

- Rating Agencies evaluate the credit quality of a debt instrument and assign credit (bond) ratings

Bond Insurance* / Credit Enhancement*

- Organizations such as banks and insurance companies that lend their higher credit quality for a fee and guarantee debt service payments to the bondholders
- TWDB has loans in its portfolios that have municipal bond insurance
- As a result of the TWDB's rating requirements, currently no Municipal Bond Insurer is eligible

Trustee*

- Financial institution with trust powers that acts in a fiduciary capacity to facilitate the collection, escrow, and distribution of funds for the benefit of the bondholder

* When Applicable

Certificates of Obligation

Lake Dallas Bonds

- **After consulting with City staff about the project type, useful life of the assets, and desired repayment terms, we'd recommend the issuance of Certificates of Obligation**

▪ Notice of Intent to Issue is required:

✓ Published in the local paper on the same day of two consecutive weeks

✓ Must be passed at least 30 days prior to sale date

✓ Sets forth an anticipated Sale Date

✓ Sets forth a proposed maximum par amount or issue size:

  ➢ Set the maximum size to allow flexibility for market changes

    – Acts as a "ceiling" or limit for the issuance

    – The City is not obligated to issue up to the full notice amount

HilltopSecurities
A Hilltop Holdings Company.

Estimated Debt Service and Tax Rate Impact Analysis

HilltopSecurities
A Hilltop Holdings Company.

Preliminary Cash Flow Numbers- $880,000 Streets & Street Lights

Tax Rate Impact Analysis
Combination Tax & Revenue Certificates of Obligation, Series 2019

A	B	C	D	E	F	G	H	I	J
					NET Project Funds:		*$880,000*		
			Total Existing	Less:	$945,000- 2019 Certificates Delivered 2/7/19 - 3.98% TIC(2)			Aggregate Net	Estimated
	Assessed	Estimated	Tax Supported	Self Supporting				Tax Supported	I&S Tax
FYE	Valuation(1)	AV Growth	Debt Service	Debt Service	Principal	Interest	Total	Debt Service	Rate
2018	438,159,570	8.55%	$ 659,363	$ (209,480)				$ 449,883	**0.1027**
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Current Tax Rate	**$ 0.1027**
Maximum Tax Rate	**$ 0.1027**
Tax Rate Impact	**$ -**

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PRELIMINARY - FOR ILLUSTRATIVE PURPOSES ONLY, SUBJECT TO CHANGE.

AGENDA ITEM 7

CITY COUNCIL
AGENDA MEMO

Prepared By: John Cabrales Jr, Manager **May 24, 2018**

James Doolin Discussion on uses of Willow Grove Park

DESCRIPTION:

Receive a presentation, hold a discussion, and give staff direction regarding a request by Mr. James Doolin to discuss the use of Willow Grove Park.

BACKGROUND INFORMATION:

On May 7, Mr. James Doolin, 1402 N. Valley Parkway #1515, Lewisville, TX, contacted the City requesting the placement of a city council agenda item to allow him to speak about the uses of Willow Grove Park. Section 2-27, Order of Business, item (c) of the Code or Ordinances allows citizens, including non-residents, to place items on the city council agenda.

> **Sec. 2-57. Order of business.**
> (c) Presentations by citizens. Any person who wishes to place a subject on the council agenda shall advise the city secretary's office of that fact and the specified subject matter no later than 5:00 p.m. Thursday prior to the council meeting at which the designated subject is desired to be considered. Any person who wishes to address the council without having made this preparation may do so, but only under "Citizen Agenda" when recognized by the chair. This rule does not apply to anyone appearing at a public hearing in response to an official agenda notice.

Mr. Doolin, is the owner of a business d/b/a Flying and Floating Toys, a watercraft rental business, that up until recently was operating within the boundaries of Willow Grove Park within the City of Lake Dallas. On September 7, 2017, Mr. Doolin was given a cease and desist letter for the operation of his business within the boundaries of Willow Grove Park (attached) until an approved permit process for commerce in the park could be implemented.

The City Council and the Parks and Recreation Board had several conversations with staff between November 9, 2017 through March 8, 2018, to discuss various types of uses for Willow Grove Park (WGP). The discussion also included a permitting process for special events and for vendors in WGP.

Council approved the following vendor permit process for WGP at the March 8, 2018 meeting.

- Willow Grove Park Vendor Permit Application Process
- Submit application form and pay application fee
- Submit letter of no-objection from the Lakeview Marina
- Submit Liability Insurance – 1M
- Sign Sublease/Use agreement
- Pass background check (not a registered sex offender)
- Submit your State of Texas Tax ID issued by the State Comptroller's Office
- Must enhance the lake and park experience
- If approved by the City Council, then it will be sent to the U.S. Army Corps of Engineers for their approval
- If approved, payment must be submitted for an annual permit fee (in lieu of gross receipts)

The permit process includes submitting the application for council consideration once all of the required documents are submitted to the City. Staff will make a recommendation to the council. The vendor permit will be automatically renewed annually, unless there is a violation of WGP rules, city ordinances, state or federal laws, or the council decides not to renew. You are disqualified from applying for a permit if you are: a registered sex offender; indebted to the City for any monies owed; are applying for a food vendor use, amplified music use or ride type attractions.

The City's lease of Willow Grove Park with the U.S. Army Corps of Engineers prohibits the City from granting any privilege or license under the lease without the prior written approval of the Corps' District Manager. The use of Willow Grove Park by a third party to conduct a watercraft rental business constitutes such a privilege or license. The City has previously been advised that the Corps' District Manager will not approve any license or use agreement for Willow Grove Park relating to the rental of watercraft or services that might be similar to those provided by Lakeview Marina without the written approval of the owner of Lakeview Marina. Mr. Doolin has reached out to the owner of the Lakeview Marina for such approval, but has been unable to obtain such a letter. Consequently, City staff is presently unable to process any vendor permit or license with Mr. Doolin for council consideration since doing so would be in violation of the City's lease with the Corps.

FINANCIAL CONSIDERATION:

None, discussion only

RECOMMENDED MOTIONS:

None, discussion only

ATTACHMENT(S):

1. Cease and Desist Letter (Sept. 7, 2017)

NICHOLS, JACKSON, DILLARD, HAGER & SMITH, L.L.P

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H. LOUIS NICHOLS (1916-2010)

ROBERT L. DILLARD, III
OF COUNSEL

LAWRENCE W. JACKSON
OF COUNSEL

September 7, 2017

Mr. James Doolin
d/b/a Flying and Floating Toys
1402 N. Valley Parkway
Lewisville, Texas 75077

First Class and Certified Mail and
Return Receipt Requested
#

Re: Selling or Offering Services in a City Park Without Authorization from the City Council of the City of Lake Dallas

Dear Mr. Doolin:

The undersigned is the duly appointed City Attorney for the City of Lake Dallas, Texas ("the City"). In that capacity, I have been advised that on two different occasions, specifically May 2, 2017, and May 30, 2017, written demand was made on you by officials of the City of Lake Dallas to cease and desist operating your watercraft rental business within the boundaries of Willow Grove Park within the City of Lake Dallas. Demand was also made that you remove any materials from Internet website showing the address of Willow Grove Park as your place of business.

Based on information received after May 30, 2017, it is apparent you have elected to the previous demands and have continued to conduct your business within Willow Grove Park without authorization from the Lake Dallas City Council[1]. Such activities constitute a violation of Section 74-75 of the Lake Dallas Code of Ordinances which reads in part as follows:

> **Sec. 74-75**. Unlawful acts.
>
> Within the limits of any city park, it shall be unlawful for any person to do any of the following acts except as may be otherwise provided:
>
> * * *
>
> **(15)** To sell or offer for sale any food, drinks, confections, merchandise or services unless and for a duration of time approved by the city.

[1] The City of Lake Dallas presently has no established procedure for receiving and considering applications from private parties to conduct business in Willow Grove Park or any other City facility. I have been advised that City staff has begun the process for the development of such procedures to be presented to the Lake Dallas City Council for consideration at a later date.

(16) To practice, carry on, conduct or solicit for any trade, occupation, business or profession or to circulate any petition of whatsoever kind or character without approval of the city.

The rental of watercraft and other recreational equipment constitutes the sale of a service that is included in the above prohibition. Any part of the rental transaction, including the transportation and/or delivery of the rented watercraft or equipment to the renter, constitutes a part of the sale. Consequently, even if all other parts of the rental transaction occur at locations outside of Willow Grove Park, transportation and/or delivery of watercraft or other rented equipment to the renter by you, your employees, and/or your authorized agent into Willow Grove Park, being a portion of the sales transaction, constitutes a prohibited activity. Furthermore, you may not launch your watercraft and store them along the shoreline of Willow Grove Park pending delivery of the watercraft by renters as such would constitute delivery of the watercraft within the park. In other words, if the delivery of rented watercraft or equipment occurs at a location within Willow Grove Park or any other city park owned or operated by the City of Lake Dallas, it will be considered a sale occurring within a City park in violation of Section 74-75 of the Lake Dallas Code of Ordinances. In short, all parts of the rental transaction, including the delivery of rented watercraft or equipment to your customer, must occur outside the boundaries of Willow Grove Park.

On a related topic, demand was previously made of you to remove from your Internet website any reference to the address of Willow Grove Park as your place of business. While a check of your website indicates compliance with that demand, your business Facebook page continues to show the map and address of Willow Grove Park as your place of business. As you have been previously advised in writing, Willow Grove Park is located on property owned by the United States of America, managed by the U.S. Army Corps of Engineers, and operated as a public park by the City of Lake Dallas through an agreement with the USACE. As such, it does not constitute a place of a private business and any representation to the contrary may be considered fraudulent and certainly would be used as evidence relating to a violation of Section 74-75. In short, you are hereby directed to remove any reference to the address of Willow Grove Park, 800 E. Hundley Drive, Lake Dallas, Texas, from any materials, regardless of format, that indicates expressly or otherwise infers that such address constitutes your place of business.

In summary, you are directed to cease and desist conducting within the boundaries of Willow Grove Park and any other City park any activity that constitutes the sale or offer for sale of any services, which would include the rental of any watercraft, recreational equipment or other personal property, or otherwise carrying on or conducting any business within Willow Grove Park. Failing to do so may result in a citation for a violation of Section 74-75 of the Lake Dallas Code of Ordinances and/or other applicable ordinances which, upon conviction, can result in a fine of up to $500 per violation.

Respectfully,

NICHOLS, JACKSON, DILLARD HAGER & SMITH, L.L.P.

By:____________________________________
Kevin B. Laughlin
City Attorney for the City of Lake Dallas

Cc: John Cabrales, Interim City Manager, City of Lake Dallas
Daniel Carolla, Chief of Police, City of Lake Dallas

Samantha Gowans, NJDHS