



PROJECT FUNDING REQUEST

BOARD DATE: April 11, 2024

PRESENTED BY: Kathy Hopkins

ACTION REQUESTED

Approve by resolution a request from the City of Dallas (Dallas County) for \$113,190,000 in financial assistance consisting of \$90,090,000 in financing and \$23,100,000 in grant from the Flood Infrastructure Fund for a federal grant award matching funds project.

STAFF RECOMMENDATION

Approve No Action

PROJECT NAME

Modified Dallas Floodway (3), Project Number 40208

BACKGROUND

Passed by the 86th Texas Legislature and approved by voters through a constitutional amendment, the Flood Infrastructure Fund (FIF) was created to provide funding for flood mitigation projects. The purpose of the FIF, as outlined in Senate Bill 7, is to assist in financing drainage, flood mitigation, and flood control projects. FIF projects presented for consideration have been scored and ranked using prioritization criteria outlined in 31 Texas Administrative Code § 363.404 and further specified in the 2020 Flood Intended Use Plan. The prioritized list of projects was approved by the Board on September 17, 2020.

PROJECT NEED AND DESCRIPTION

The City of Dallas (City) has been awarded funding by the United States Army Corps of Engineers (USACE) to address the effects of flooding from the Trinity River. There has been repeated flooding that has impacted the City starting in 1908 when flooding caused downtown and West Dallas to be devastated with damages totaling more than \$5 million (approximately \$170 million today) and as recently as August 22, 2022, when major flooding resulted in as much as \$6 billion in damages and economic loss. Through a Project Partnership Agreement between the Department of the Army and the City, the City can receive up to 65 percent federal funding with the remainder of project costs covered by the local match.

This project aims to address flood risk mitigation efforts through the removal of a structure that obstructed flow, raising and flattening levees, new pump stations and additional pump stations, and improvements to structural controls in the sump system. The Dallas Floodway Levee System provides flood risk mitigation for over \$14 billion in real and personal property and over 400,000 residents.

PROPOSED PROJECT FUNDING

TOTAL PROJECT COST	\$457,687,200
Grant amount requested from FIF	\$23,100,000
Loan amount requested from FIF	\$90,090,000
Local contribution	\$47,000,000
Local in-kind	\$0
Federal funding	\$297,497,200

PROJECT SCHEDULE

Task	Estimated Schedule Date
FIF Closing/Contract Execution	October 11, 2024
277K Levee Raise and 4:1 Slope Flattening Completed	August 2024
Trinity Portland Pump Station Completed	November 2025
Charlie Pump Station Completed	2025
Delta Pump Station Completed	2026
Nobles Branch Sump Completed	2026
Hampton 3 Pump Station Completed	2029

KEY ISSUES

The selected project is eligible under Category 3, Federal Award Matching Funds, of the 2020 Flood Intended Use Plan. This category of funding was designed to leverage federal funding by assisting applicants with the required local match. Category 3 projects are eligible to receive a maximum of 90 percent grant funds for the required match based on criteria outlined in the 2020 Flood Intended Use Plan. Recipients of financial assistance may either use their own available funds or borrow FIF funds at zero percent interest for any portion of the required local share not provided through FIF grant funds.

The City qualifies for 40 percent grant and \$90,090,000 in zero percent financing from the FIF. for a portion of the local match requirements for federal funds from the United States Army Corps of Engineers (USACE). The City has been selected to receive \$297,497,200 in federal funds through the USACE. For the financial review section, see Attachment 1.

The project recommended for approval meets all minimum requirements found in the 2020 Flood Intended Use Plan:

- (1) for construction-oriented projects, the benefit/cost ratio of the project meets therequirements of the 2020 Flood Intended Use Plan;
- (2) for flood control projects where the project watershed is located outside the boundariesof the applicant, the applicant has entered into a Memorandum of Understanding with all required entities related to management of the watershed;
- (3) the funding request does not include redundant funding;
- (4) the area to be served by the project meets the requirements of the 2020 Flood IntendedUse Plan related to the National Flood Insurance Program;
- (5) the project was developed using the best/most recent available data;
- (6) for construction projects, the applicant has planned for operation and maintenancerequired costs; and
- (7) for construction projects, the applicant has considered possible floodwater capture techniques that could be associated with the project for water supply purposes.

The project recommended for approval meets the statutory requirements found in Texas Water Code § 15.536:

- (1) the application and the assistance applied for meet the requirements of Texas WaterCode, Chapter 15, Subchapter I and 31 Texas Administrative Code Chapter 363; and
- (2) the application demonstrates a sufficient level of cooperation among eligible political subdivisions and includes all of the eligible political subdivisions substantially affected by the flood project.

LEGAL/SPECIAL CONDITIONS

- Prior to closing, the City shall execute a Grant Agreement in a form and substance acceptable to the Executive Administrator.

Attachments:

1. Financial Review
2. Resolution (24-)
3. Location Map

Financial Review

City of Dallas

Risk Score: 2A

Audit Reviewed: FY 2022

Key Indicators

Indicator	Result	Benchmark
Population Growth, Average Annual 2010-2020	City: 0.86%	State: 1.49%
Top 10 Customers % of Total Revenue	4.62%	10-15%
Median Household Income as % of State	85%	100%
Days of Cash on Hand (3-year Average)	477 days	30-149 days
Net Fixed Assets/ Annual Depreciation	1 years	12-24 years
Debt Service Coverage Ratio	2.23x	1.0x
Debt-to-Operating Revenues	1.45	4.00-5.99x
Unemployment Rate (December 2023)	City: 3.40%	State: 3.50%
Working Capital Ratio	38.71	> 1.0

Key Risk Score Strengths

- The City's drainage system revenues are adequate to maintain coverage for all proposed debt.
- A high working capital ratio provides the City with ample resources to cover short-term liabilities and shows a strong liquidity position.
- The City's days of cash on hand is above the benchmark, indicating the City can pay its operating expenses with the cash it has available.

Key Risk Score Concerns

- The population growth of the City is below the benchmark over the past ten years; however, regional water plan projections project the City to grow by approximately 10 percent over the next 10 years.
- The City's drainage system has a ratio of one year for fixed assets to annual depreciation. This is due to the fact that the drainage system does not hold any fixed assets or account for depreciation.

PLEDGE

Legal Pledge Name	Drainage System Revenues
Type of Pledge	<input type="checkbox"/> Tax <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Tax & Revenue <input type="checkbox"/> Contract <input type="checkbox"/> Other
Revenue Pledge Level	<input checked="" type="checkbox"/> First <input type="checkbox"/> Second <input type="checkbox"/> Third <input type="checkbox"/> N/A

RATES AND CHARGES

Average Residential Use	Gallons/Month	Current Rates	Projected Rates	Current Household Cost Factor	Projected Household Cost Factor
WATER	8,300	\$30.73	\$30.73	1.81	1.81
WASTEWATER	5,300	\$33.50	\$33.50		
DRAINAGE	N/A	\$9.22	\$9.22		

TAXES

	2022 Tax Year Rate	Max Projected Tax Rate (Year 2024)	Maximum Allowable Rate	3-Year Avg Current Tax Collections	Assessed Valuation
Maintenance & Operation	\$0.5403	\$0.5403	\$2.50	97%	\$176,015,700,456
Interest & Sinking	\$0.2055	\$0.2055			
Total Tax Rate	\$0.7458	\$0.7458			

Cost Savings

Based on a 30-year maturity schedule and current interest rates, the City could save approximately \$57,943,361 over the life of the financing.

Responsible Authority	Dallas
Program	FLOOD
Commitment Number	G1001726, L1001725
Project Number	40208
List Year	2020
Type of Pledge	Revenue Pledge
Pledge Level (if applicable)	First Lien
Legal Description	\$23,100,000 Grant Agreement, \$90,090,000 City of Dallas Drainage Utility System Revenue Bonds, Proposed Series 2024B
Tax-exempt or Taxable	Tax-Exempt
Refinance	No
Outlay Requirement	Yes
Disbursement Method	Escrow
Outlay Type	Outlay = Escrow Release
Qualifies as Disadvantaged	No
Financial Managerial & Technical Complete	N/A
Phases Funded	Design and Construction
Pre-Design	Yes
Project Consistent with State Water Plan	N/A
Water Conservation Plan	N/A
Overall Risk Score	2A

PROJECT TEAM

Team Manager	Financial Analyst	Engineering Reviewer	Environmental Reviewer	Attorney
Kathy Hopkins	Arnoldo Rubio	Cody Ransone		Breann Hunter

ISSUE BEING EVALUATED
FOR ILLUSTRATION PURPOSES ONLY
City of Dallas

\$14,175,000 City of Dallas Drainage Utility System Revenue Bonds, Proposed Series 2024A

Dated Date: 10/11/2024 Source: FIF
 Delivery Date: 10/11/2024 IUP Year: 2022
 First Interest: 4/1/2025 Case: Drainage Revenue
 First Principal: 10/1/2025 Admin.Fee: \$0
 Last Principal: 10/1/2053 Admin. Fee Payment Date: N/A
 Fiscal Year End: 09/30 Required Coverage: 1.0

\$90,090,000 City of Dallas Drainage Utility System Revenue Bonds, Proposed Series 2024B

Dated Date: 10/11/2024 Source: FIF
 Delivery Date: 10/11/2024 IUP Year: 2022
 First Interest: 4/1/2025 Case: Drainage Revenue
 First Principal: 10/1/2025 Admin.Fee: \$0
 Last Principal: 10/1/2053 Admin. Fee Payment Date: N/A
 Fiscal Year End: 09/30 Required Coverage: 1.0

FISCAL YEAR	PROJECTED NET SYSTEM REVENUES	CURRENT DEBT SERVICE	\$14,175,000 ISSUE				\$90,090,000 ISSUE				TOTAL DEBT SERVICE	ACTUAL COVERAGE
			PRINCIPAL PAYMENT	INTEREST RATE	INTEREST PAYMENT	TOTAL PAYMENT	PRINCIPAL PAYMENT	INTEREST RATE	INTEREST PAYMENT	TOTAL PAYMENT		
2025	\$8,007,000	-	\$0	-	-	-	\$0	-	-	-	-	0.00
2026	\$8,007,000	-	\$490,000	-	-	\$490,000	\$3,105,000	-	-	\$3,105,000	\$3,595,000	2.23
2027	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2028	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2029	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2030	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2031	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2032	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2033	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2034	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2035	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2036	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2037	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2038	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2039	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2040	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2041	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2042	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2043	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2044	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2045	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2046	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2047	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2048	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2049	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2050	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2051	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2052	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2053	8,007,000	-	490,000	-	-	490,000	3,105,000	-	-	3,105,000	3,595,000	2.23
2054	8,007,000	-	455,000	-	-	455,000	3,150,000	-	-	3,150,000	3,605,000	2.22
		\$ -	\$14,175,000		\$ -	\$14,175,000	\$90,090,000		\$ -	\$90,090,000	\$104,265,000	

\$14,175,000 ISSUANCE	
AVERAGE (MATURITY) LIFE	14.94 YEARS
NET INTEREST RATE	0.000%
COST SAVINGS	\$9,086,036
AVERAGE ANNUAL REQUIREMENT	\$488,793

\$90,090,000 ISSUANCE	
AVERAGE (MATURITY) LIFE	14.98 YEARS
NET INTEREST RATE	0.000%
COST SAVINGS	\$57,943,361
AVERAGE ANNUAL REQUIREMENT	\$3,106,552

TOTAL AVERAGE ANNUAL REQUIREMENTS
\$3,475,500

Disclaimer: This is a working document and is provided as a courtesy. All information contained herein, including the proposed interest rate, is subject to change upon further review of the TWDB in accordance with 31 Texas Administrative Code Chapters 363, 371, 375, or 384, as applicable. The TWDB does not function as a financial advisor to anyone in connection with this financing. The information contained in this document is used by TWDB staff to analyze the application for financing is illustrative only and does not constitute any guaranty of future rates. The TWDB makes no claim regarding the applicability of the information at closing, at which time actual rates will be set.

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF
\$113,190,000 TO THE CITY OF DALLAS
FROM THE FLOOD INFRASTRUCTURE FUND
THROUGH THE PROPOSED PURCHASE OF
\$90,090,000 CITY OF DALLAS DRAINAGE UTILITY SYSTEM REVENUE BONDS
PROPOSED SERIES 2024B
AND
THE EXECUTION OF A GRANT AGREEMENT IN THE AMOUNT OF \$23,100,000

(24 -)

Recitals:

The Dallas Water Utilities (the Utility), on behalf of the City of Dallas (City), located in the Counties of Dallas, Denton, Collin Kaufman, and Rockwall, Texas, has filed an application for financial assistance from the Flood Infrastructure Fund (FIF) in accordance with Texas Water Code Chapter 15, Subchapter I, to provide matching funds to enable the City to participate in a federal program for a flood project, identified as Project No. 40208.

The Utility seeks financial assistance from the Texas Water Development Board (TWDB) in the amount of \$113,190,000 through the TWDB's proposed purchase of \$90,090,000 City of Dallas Drainage Utility System Revenue Bonds, Proposed Series 2024B (together with all authorizing documents (Obligations)) and \$23,100,000 through execution of a Grant Agreement, all as is more specifically set forth in the application and in recommendations of the Executive Administrator's staff.

The City has offered a pledge of first lien of net stormwater drainage utility system revenue as sufficient security for the repayment of the Obligations.

The City has received a federal award contingent on availability of matching funds.

As used in this resolution, "Executive Administrator" means the person acting in that capacity on a permanent, interim or temporary basis.

Findings:

1. The application and financial assistance requested meet the requirements of Texas Water Code, Chapter 15, Subchapter I; 31 TAC Chapter 363, Subchapters A and D; and the State Fiscal Year 2020 Flood Intended Use Plan (FIUP).
2. The City has demonstrated a sufficient level of cooperation among eligible political subdivisions and has included all of the eligible political subdivisions

substantially affected by the flood project in accordance with Texas Water Code § 15.536(2).

3. The City has submitted a written memorandum of understanding relating to the management of the project watershed executed by all governing bodies of eligible political subdivisions located in the project watershed.
4. In its opinion the taxes or revenues pledged by the City will be sufficient to meet all Obligations assumed by the City in accordance with Texas Water Code § 15.536(3).
5. The City is eligible to receive grant funding in accordance with Texas Water Code § 15.534 and the FIUP.
6. The City has demonstrated that the benefit-cost ratio of the Project meets the requirements of the FIUP.
7. The request for financial assistance does not include redundant funding for activities already performed and/or funded through another source, in accordance with the FIUP.
8. The City has demonstrated that the application meets the requirements of the FIUP related to the National Flood Insurance Program in the area to be served by the Project.
9. The Project was developed using the best and most recent available data, in accordance with the FIUP.
10. The City has documented that it has planned for operations and maintenance costs associated with the Project, in accordance with the FIUP.
11. The City has considered possible floodwater capture techniques that could be associated with the Project for water supply purposes, in accordance with the FIUP.

NOW THEREFORE, based on these findings, the TWDB resolves as follows:

A commitment is made by the TWDB to the Utility for financial assistance in the amount of \$113,190,000 from the Flood Infrastructure Fund, to be evidenced by the TWDB's proposed purchase of \$90,090,000 City of Dallas Drainage Utility System Revenue Bonds, Proposed Series 2024B and execution of a Grant Agreement in the amount of \$23,100,000. This commitment will expire on October 31, 2024; however, the Executive Administrator may, at his discretion, grant up to one extension for a maximum of three months.

Such commitment is conditioned as follows:

Standard Conditions:

1. This commitment is contingent on availability of TWDB funds on hand.
2. This commitment is contingent upon the issuance of a written approving opinion of the Attorney General of the State of Texas stating that the City has complied with all of the requirements of the laws under which said Obligations were issued, that said Obligations were issued in conformity with the Constitution and laws of the State of Texas, and that said Obligations are valid and binding obligations of the City.
3. This commitment is contingent upon the City's continued compliance with all applicable laws, rules, policies, and guidance (as these may be amended from time to time to adapt to a change in law, in circumstances, or any other legal requirement), including but not limited to 31 TAC Chapter 363.
4. The City shall use a paying agent/registrar in accordance with 31 TAC § 363.42(c)(2).

The Following Conditions Must Be Included in the Obligations:

5. The Obligations must provide that the City will comply with all applicable TWDB laws and rules related to the use of the financial assistance.
6. The Obligations must provide that the City will not begin construction for a portion of the Project until the environmental finding has been issued for that portion of the Project.
7. The Obligations must contain a provision requiring the City to maintain insurance coverage sufficient to protect the TWDB's interest in the project.
8. The Obligations must include a provision wherein the City, or an obligated person for whom financial or operating data is presented to the TWDB in the application for financial assistance either individually or in combination with other issuers of the City's Obligations or obligated persons, will, at a minimum, regardless of the amount of the Obligations, covenant to comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by Securities and Exchange Commission (SEC) in 17 CFR § 240.15c2-12 (Rule 15c2-12) and determined as if the TWDB were a Participating Underwriter within the meaning of such rule, such continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the City's Obligations, if the TWDB sells or otherwise transfers such Obligations, and the beneficial owners of the TWDB's

bonds if the City is an obligated person with respect to such bonds under SEC Rule 15c2-12.

9. The Obligations must contain a provision requiring the City to levy a tax and/or maintain and collect sufficient rates and charges to produce revenues in an amount necessary to meet the debt service requirements of all outstanding obligations and to maintain the funds established and required by the Obligations.
10. The Obligations must include a provision requiring a final accounting to be made of the total sources and authorized use of Project funds within 60 days of the completion of the Project.
11. The Obligations must include a provision requiring the City to deposit any bond proceeds from the Obligations that are determined to be surplus proceeds remaining after completion of the Project and completion of a final accounting, including any interest earned on the bond proceeds, into the Interest and Sinking Fund.
12. The Grant Agreement and Obligations must include a provision stating that the City shall either return or deposit into the Interest and Sinking Fund any grant funds that are determined to be surplus funds remaining after completion of the Project and completion of a final accounting, including any interest earned on the grant funds.
13. The Obligations must contain a provision that the TWDB may exercise all remedies available to it in law or equity, and any provision of the Obligations that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect.
14. Financial assistance proceeds are public funds and, as such, the Obligations must include a provision requiring that these proceeds shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256 and the Public Funds Collateral Act, Government Code, Chapter 2257.
15. Financial assistance proceeds shall not be used by the City when sampling, testing, removing or disposing of contaminated soils and/or media at the Project site. The Obligations shall include an environmental indemnification provision wherein the City agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment, recycling, and disposition of any contaminated sewage sludge, contaminated sediments, and/or contaminated media that may be generated by the City, its

contractors, consultants, agents, officials, and employees as a result of activities relating to the Project to the extent permitted by law.

16. The Obligations must contain a provision stating that the City shall abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by Texas Government Code, Chapter 2252, Subchapter G.
17. The Obligations must provide that the City will not cause or permit the Obligations to be treated as “federally guaranteed” obligations within the meaning of § 149(b) of the Code.
18. The Obligations must contain a covenant that the City will refrain from using the proceeds of the Obligations to pay debt service on another issue of obligations of the borrower in contravention of section 149(d) of the Code (related to “advance refundings”).
19. The Obligations must contain a provision requiring the City to submit quarterly status reports on the progress of the project that details information requested by the Executive Administrator. The Executive Administrator may withhold authorization to release funds from escrow or adjust the amount of funds to be released from escrow based on the receipt of the quarterly status reports and the projected quarterly needs for the project.

Pledge Conditions for the Loan:

20. The Obligations must require the accumulation of a reserve fund of no less than average annual debt service requirements, to be accumulated in equal monthly installments over the initial sixty (60) months following the issuance of the Obligations.
21. If the City has existing revenue obligations with the same pledge of security as the proposed Obligations that will remain outstanding after the term of any financial assistance made by the TWDB pursuant to this commitment, the Obligations must contain a provision providing that the lien or liens securing the Obligations issued to the TWDB shall be at least on a parity with lien or liens securing such outstanding obligations.
22. The Obligations must contain a provision providing that additional revenue obligations may only be incurred if net system revenues are at least 1.25 times the average annual debt service requirements after giving effect to the additional obligations when net revenues are determined from the last completed fiscal year or a 12 consecutive calendar month period ending not more than ninety (90) days preceding the adoption of the additional obligations as certified by the Chief

Financial Officer of the City. An authorized representative of the City must provide the calculations, identifying reasonable assumptions, in a manner and format that is acceptable to the Executive Administrator.

Conditions to Close or for Release of Funds:

23. Before closing, the City shall submit documentation evidencing the adoption and implementation of sufficient system rates and charges or, if applicable, the levy of an interest and sinking tax rate sufficient for the repayment of all system debt service requirements.
24. Before release of funds for the relevant services, and if required under the TWDB's financial assistance program and if not previously provided with the application, the City shall submit executed contracts for engineering and, if applicable, financial advisor and bond counsel, for the Project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator.
25. Before closing, when any portion of financial assistance is to be held in escrow or in trust, the City shall execute an escrow agreement or trust agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed agreement to the TWDB.
26. Before closing, the City's bond counsel must prepare a written, unqualified approving opinion acceptable to the executive administrator. Bond counsel may rely on covenants and representations of the City when rendering this opinion.
27. Before release of funds for construction, the City must provide the TWDB with evidence that the necessary acquisitions of land, leases, easements, and rights-of-way have been completed, or that the City has the legal authority necessary to complete the acquisitions.

PROVIDED, however, the commitment is subject to the following special condition:

Special Condition:

28. Before closing, the City shall execute a Grant Agreement in a form and substance acceptable to the Executive Administrator.

APPROVED and ordered of record this, the 11th day of April, 2024.

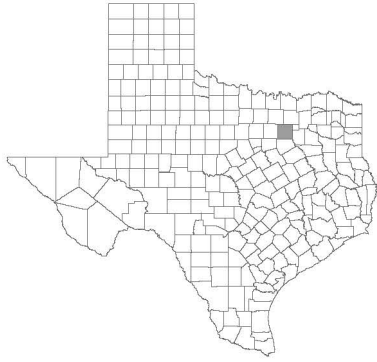
TEXAS WATER DEVELOPMENT BOARD

Brooke T. Paup, Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Interim Executive Administrator



City of Dallas Dallas County

