

August 26, 2020

**WHEREAS**, on August 26, 2015, City Council authorized contracts with McCall, Parkhurst & Horton, L.L.P. and Escamilla & Poneck, L.L.P., Bracewell & Giuliani, L.L.P. and West & Associates, L.L.P., and Norton Rose Fulbright, L.L.P. and Mahomes Bolden, P.C. for bond counsel and co-bond counsel services for a five year term, by Resolution No. 15-1610 (“2015 Bond Counsel Contracts”); and

**WHEREAS**, on January 22, 2020, City Council authorized an amendment to the bond counsel contract with Norton Rose Fulbright US LLP, to add interim disclosure counsel services by Resolution No. 20-0184 (“Interim Disclosure Counsel Contract”); and

**WHEREAS**, the 2015 Bond Counsel Contracts and the Interim Disclosure Counsel Contract will expire by their terms on August 31, 2020; and

**WHEREAS**, the City will continue to issue both long- and short-term debt to provide financing for various permanent public improvements in the City and therefore has a continuing need for legal counsel that specialize in public finance matters and are well versed in Texas and federal securities and federal tax laws and applicable administrative procedures to provide the legal services pertaining to the City's issuance of securities; and

**WHEREAS**, on March 19, 2020, the City engaged in a competitive solicitation process by issuing a Request for Qualifications (RFQ) (BQQ20-00013089) for public finance legal services for bond counsel, co-bond counsel, disclosure counsel and co-disclosure counsel (“2020 RFQ”); and

**WHEREAS**, the City now desires to enter into three separate five-year contingency fee contracts with the most qualified respondents as evaluated pursuant to the 2020 RFQ: (1) McCall, Parkhurst & Horton, L.L.P as bond counsel and Escamilla & Poneck, LLP as co-bond counsel (“McCall/Escamilla”), to jointly provide legal services as Team A (Enterprise Bond) in connection with the City’s authorization, sale, issuance and delivery of its Waterworks and Sewer System bonds and commercial paper, tax Increment financing bonds, Dallas Airport System (Love Field, Dallas Executive Airport and Vertiport) bonds and bond financings of conduit issuers of the City, as determined by the City Attorney and Dallas City Council; (2) Bracewell, LLP as bond counsel and West & Associates, L.L.P. as co-bond counsel (“Bracewell/West”), to jointly provide legal services as Team B (General Obligation Bond), in connection with the City’s authorization, sale, issuance, and delivery of its General Obligation bonds, Combination Tax and Revenue Certificates of Obligation, Equipment Acquisition Contractual Obligations, Convention Center bonds, and other bond financings as determined by the City Attorney and Dallas City Council; and (3) Norton Rose Fulbright, LLP as disclosure counsel and Kintop Smith, PLLC as co-disclosure counsel (“Norton Rose/Kintop Smith”), to jointly provide legal services in connection with the authorization, sale, issuance and delivery of municipal securities as well as in connection with the financial summaries, operating data, and audited financial statements the City is required to disclose on a continuing basis; and

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**WHEREAS**, Subchapter C of Chapter 2254 of the Texas Government Code ("Chapter 2254") requires that a political subdivision of the State of Texas, including the City, enter into a contingent fee contract for legal services only after: (i) the governing body of the political subdivision has provided written notice to the public stating certain provisions enumerated within Chapter 2254; (ii) the governing body of the political subdivision approved such contract in an open meeting called for the purposes of considering such contract; (iii) the governing body of the political subdivision has stated in writing certain findings made by the governing body upon the approval of such contract; and (iv) the Texas Attorney General need not approve the contingency fee contract pursuant to the exception provided by Section 2254.102 (c) of the Texas Government Code; and

**WHEREAS**, the City has caused notice of this resolution, this meeting, and certain provisions enumerated within Chapter 2254 to be provided to the public in accordance with the Texas Open Meetings Act and Chapter 2254; and

**WHEREAS**, the meeting at which this resolution is being considered is an open meeting called, in part, for the purpose of considering: (i) the City's need for bond counsel, co-bond counsel, disclosure counsel and co-disclosure counsel legal services; (ii) the engagement of the most qualified respondents; and (iii) the need for such engagement on a contingency fee basis rather than by payment of hourly fees, without regard to the outcome of the matter, and (iv) the reasons that the proposed contingency fee contracts with the most qualified respondents are in the best interest of the City and are in compliance with Chapter 2254.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

**SECTION 2.** That the City Council hereby finds that: (i) there is a substantial need for the bond, co-bond, disclosure and co-disclosure counsel legal services; (ii) the City does not currently employ attorneys and supporting personnel qualified to provide these legal services; (iii) the bond, co-bond, disclosure and co-disclosure counsel legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which these legal services will be obtained and without imposing an unnecessary cost and burden on the City's finances; and (iv) the relationship between the City or the City Council and each of McCall/Escamilla (Team A, Enterprise Bond), Bracewell/West (Team B, General Obligation Bond), and Norton Rose/Kintop Smith (Disclosure) is not improper and would not appear improper to a reasonable person.

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**SECTION 3.** That based on the findings of the City Council described above, the City Council hereby authorizes the City Manager to execute **(1)** a contingency fee disclosure contract with Norton Rose Fulbright US LLP (VC0000006239) and Kintop Smith, PLLC (VC22035), approved as to form by the City Attorney for disclosure counsel and disclosure co-counsel services for a term of five years; and **(2)** a contingency fee bond contract with McCall Parkhurst & Horton, L.L.P. (193173) and Escamilla & Poneck, LLP (VC221126) and a contingency fee contract with Bracewell LLP (VS0000056820) and West & Associates, L.L.P. (330805), approved as to form by the City Attorney, for bond counsel and co-bond counsel services for a term of five years.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to pay **(1)** disclosure counsel and disclosure co-counsel fees from bond proceeds, General Fund, Aviation Fund, Convention and Event Services Fund, and/or Dallas Water Utilities Fund, as applicable, contingent upon completion of each bond sale in accordance with the hourly rates and opinion fees set forth in Attachment I to this resolution to Norton Rose Fulbright US LLP and Kintop Smith, PLLC; and **(2)** bond counsel and co-bond counsel fees from bond proceeds and General Fund, contingent upon the completion of each bond sale, in accordance with the hourly rates and opinion fees as set forth in Attachment II to this resolution to McCall Parkhurst & Horton, L.L.P. and Escamilla & Poneck, LLP and Bracewell LLP and West & Associates, L.L.P. from Contract No. ATT-2020-00013089.

**SECTION 5.** That it is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this resolution, was given, all as required by Chapter 551 as amended, Texas Government Code.

**SECTION 6.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.