

April 28, 2021

WHEREAS, on August 12, 2009, City Council authorized a twenty-five-year management agreement with Dallas Zoological Society (DZS) and Dallas Zoo Management, Inc. dba The Dallas Zoo & Aquarium Education Department (DZM) for the operation and maintenance of the Dallas Zoo and the Dallas Aquarium at Fair Park by Resolution No. 09-1968; and

WHEREAS, this action will authorize a Supplemental Agreement to the twenty-five-year management agreement with DZS/DZM for the operation and maintenance of the Dallas Zoo and the Dallas Aquarium at Fair Park to amend ARTICLE III, Sections 3.01 and 3.02 and ARTICLE XII, Section 12.05:

Now, Therefore,

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

SECTION 1. That the President of the Park and Recreation Board and the City Manager are hereby authorized to execute a Supplemental Agreement to the twenty-five-year management agreement with Dallas Zoological Society and Dallas Zoo Management, Inc., dba The Dallas Zoo & Aquarium Education Department, approved as to form by the City Attorney, for the operation and maintenance of the Dallas Zoo and the Dallas Aquarium at Fair Park to amend ARTICLE III, Sections 3.01 and 3.02 and ARTICLE XII, Section 12.05.

SECTION 2. That the terms of the Supplemental Agreement are as follows:

ARTICLE III. MANAGEMENT FEE AND OTHER FISCAL MATTERS

The amendment will remove the annual Consumer Price Index (CPI) adjustments as well as adjust the annual management fee of \$15,349,848.00, paid in equal quarterly installments. The management fee includes the funding for the Aquarium as well as an additional payment based on CPI. Effective October 1, 2020, the management fee will be reduced to \$15,100,000.00. Beginning October 1, 2021 for FY 2021/2022, the management fee will increase to \$15,349,848.00, paid in equal quarterly installments, and will continue thereafter through the initial term of the Management Agreement expiring on September 30, 2034. In addition, payment will not be based on CPI and therefore will remain flat.

ARTICLE XII. ENVIRONMENTAL QUALITY

Currently, the City is responsible for performing routine inspection, monitoring and maintenance (preventing encroachment, trimming as necessary, checking water levels, performing maintenance, etc.) of the Zoo Wetland. The City is also responsible for reimbursing DZM \$125,000.00 per year for limited direct costs associated with the implementation of the Environmental Management System.

SECTION 2. (continued)

ARTICLE XII. ENVIRONMENTAL QUALITY (continued)

DZM is to assume, effective October 1, 2020, responsibility from the City for performing all routine maintenance and repairs incurred in connection with the Environmental Management System or the Wetlands up to a maximum amount of \$150,000.00 per fiscal year, and all capital expenditures and Extraordinary Maintenance and Repair for the Environmental Management System or the Wetlands with a cap of \$25,000.00 in any given fiscal year. Any amount more than the \$150,000.00 for routine maintenance and repair or the \$25,000.00 cap for capital expenditure for the remainder of the fiscal year will be paid by the City. Extraordinary Maintenance and Repair are maintenance and repair expenses which cost more than \$3,000.00.

All presently existing deferred maintenance and capital expenditures (as mutually identified by the City and DZM) will remain the sole responsibility of the City and shall be promptly remedied and paid for by the City. The City is also responsible for reimbursing DZM \$125,000.00 per year for limited direct costs associated with the implementation of the Environmental Management System.

The City will continue to be responsible for quarterly cleanings of all separator systems within the Dallas Zoo, capital improvement costs necessary to ensure interceptor systems function properly, and all permit and reporting processes and costs necessary for the City of Dallas to maintain Wetland compliance per the Consent Decree. DZM shall report such routine, inspection, monitoring and maintenance results to the City and fully cooperate with any requirements under the Consent Decree. DZM will also abide by an Operations and Maintenance Manual identifying specific maintenance aspects for the wetland system.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds to Dallas Zoo Management, Inc. dba The Dallas Zoo & Aquarium Education Department from General Fund, Fund 0001, Department PKR, Unit 5241, Object 3072, Encumbrance/Contract No. PKR-2020-00011923, Vendor VC0000008212.

SECTION 4. 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.