City of Carrollton

1945 E. Jackson Road
Carrollton, TX 75006

REGULAR WORKSESSION & MEETING

Tuesday, April 21, 2026

5:45 PM

CITY HALL, 2nd Floor

City Council

Mayor Steve Babick
Mayor Pro Tem Christopher Axberg
Deputy Mayor Pro Tem Daisy Palomo
Councilmember Jason Carpenter
Councilmember Richard Fleming
Councilmember Andrew Palacios
Councilmember Nancy Cline
Councilmember Rowena Watters

PRE-MEETING / EXECUTIVE SESSION

5:45 P.M. – COUNCIL BRIEFING ROOM

1. Receive **information and discuss agenda.**

2. Council will convene in **Executive Session** pursuant to Texas Government Code:

- **Section 551.071** for private consultation with the City Attorney to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the City Attorney has a duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct regarding confidential communication with the City Council.
- Section 551.087 to discuss Economic Development.

3. Council will **reconvene in open session** to consider action, if any, on matters discussed in the Executive Session.

WORKSESSION

4. Discuss **Cascade Strategy Visualization Platform And Receive Update On Destination 2040 Vision Plan.**

5. Receive **Update On Bonds.**

6. **Mayor And Council Reports And Information Sharing.**

REGULAR MEETING 7:00 PM

INVOCATION - Councilmember Andrew Palacios

PLEDGE OF ALLEGIANCE - Councilmember Nancy Cline

PRESENTATIONS

7. Present **Proclamation Recognizing National Library Week.**

8. Present **Certificates To The Citizens Government Academy Graduating Class Of 2026.**

CITIZEN COMMENT

9. **<u>Citizen Comment</u> is the opportunity for citizens/visitors to speak on items listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items not on the posted meeting agenda will have the opportunity to speak during the Public Forum.**

Citizens/visitors should complete an appearance card located on the table at the entrance to the City Council Chambers. Speakers must address their comments to the presiding officer rather than to individual Council members or staff; Stand at the podium, speak clearly into the microphone and state your name and city of residence prior to beginning your remarks; Speakers will be allowed up to 3 minutes for testimony; Speakers making loud, abusive, personal, defamatory, profane, threatening, or impertinent remarks may be removed from the room; Unauthorized remarks from the audience, stamping of feet, whistles, yells, booing, and similar demonstrations will not be permitted; No placards, banners, or signs will be permitted in the Chambers or in any other room in which the Council is meeting. Any person who does not comply with these provisions is subject to removal or forfeiting their right to attend a future meeting. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

CONSENT AGENDA

*(*All items marked with a single asterisk are part of the Consent Agenda and require no deliberation by the Council. Council may approve all items in this section with a single vote. Each Council member has the prerogative of removing an item from this section so that it may be considered separately. Contracts and agreements are available upon request.)*

MINUTES

***10.** Consider **Approval Of The March 24, 2026 Regular Meeting Minutes.**

***11.** Consider **Approval Of The April 7, 2026 Regular Meeting Minutes.**

CONTRACTS & AGREEMENTS

***12.** Consider **Authorizing The City Manager To Enter Into An Agreement With Forvis Mazars, LLP Pursuant To RFP #26-014 For Independent Auditing Services For An Amount Not To Exceed $150,000.00 For The Fiscal Year 2026 Audit.**

***13.** Consider **Authorizing The City Manager To Enter Into An Agreement With Northern Imports, Inc, DBA Work Wear Safety Shoes And Multi Service Technology DBA Red Wing Brands Of America, Inc. Pursuant To RFP #26-016, Safety Shoes In An Amount Not To Exceed $55,000.00, Annually, For A Three-Year Total Not To Exceed $165,000.00.**

***14.** Consider **Authorizing the City Manager To Approve A Construction Contract With JonesCo General Contractors, LLC. For The City Hall Exterior And 1st & 2nd Level Improvements Project In An Amount Not To Exceed $1,132,323.00.**

ORDINANCES

***15.** Consider An **Ordinance of the City Council of the City of Carrollton, Texas, Authorizing the Issuance of "City of Carrollton, Texas, General Obligation Bonds, Series 2026"; Levying a Continuing Direct Annual Ad Valorem Tax for the Payment of Said Bonds; Resolving Other Matters Incident and Related to the Issuance, Sale, Payment, and Delivery of Said Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; Delegating Matters Relating to the Sale and Issuance of the Bonds to Authorized City Representatives; and Providing for an Effective Date.**

***16.** Consider An **Ordinance of the City Council of the City of Carrollton, Texas, Authorizing the Issuance of "City of Carrollton, Texas, Waterworks and Sewer System Revenue Bonds, Series 2026"; Pledging the Net Revenues of the City's Combined Waterworks and Sewer System to the Payment of the Principal of and Interest on Said Bonds; and Resolving Other Matters Incident and Related to the Issuance, Sale, Payment, and Delivery of Said Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; and Delegating Matters Relating to the Sale and Issuance of the Bonds to Authorized City Representatives.**

RESOLUTIONS

***17.** Consider A **Resolution Authorizing The City Manager To Negotiate And Execute Contract Amendment No. 1 With Magee Architects, L.P. For Additional Design Services For The City Hall Remodel Phase II Project, In An Amount Not To Exceed $43,275.00 For A Total Contract Amount Of $293,275.00.**

PUBLIC FORUM

18. **<u>Public Forum</u> is the opportunity for citizens/visitors to speak on items not listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items on the posted meeting agenda will have the opportunity to speak during the Citizen Comment.**

Citizens/visitors should complete an appearance card located on the table at the entrance to the City Council Chambers. Speakers must address their comments to the presiding officer rather than to individual Council members or staff; Stand at the podium, speak clearly into the microphone and state your name and city of residence prior to beginning your remarks; Speakers will be allowed up to 3 minutes for testimony; Speakers making loud, abusive, personal, defamatory, impertinent, profane, threatening, or impertinent remarks may be removed from the room; Unauthorized remarks from the audience, stamping of feet, whistles, yells, booing, and similar demonstrations will not be permitted; No placards, banners, or signs will be permitted in the Chambers or in any other room in which the Council is meeting. Any person who does not comply with these provisions is subject to removal or forfeiting their right to attend a future meeting. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

ADJOURNMENT

CERTIFICATE - I certify that the above agenda giving notice of meeting was posted on the bulletin board at the City Hall of Carrollton, Texas on the 15th day of April 2026 at 5:00pm.

Chloe L Sat

Chloe Sawatzky, City Secretary

This building is wheelchair accessible. To request accommodations or sign language interpretive services, please contact the City Secretary's Office at least 72 hours in advance by email at citysecr@cityofcarrollton.com or by phone at 972-466-3001. The City of Carrollton provides opportunities and services without regard to race, color, age, national origin, religion, sex, or disability.

Pursuant to Section 551.071 of the Texas Government Code, the City Council reserves the right to consult in a closed meeting with its attorney and to receive legal advice regarding any item listed on this agenda. Further the Texas Open Meetings Act, codified in Chapter 551 of the Texas Government Code, does not require an agenda posting where there is a gathering of a quorum of the City Council at a regional, state or national convention or workshop, social function, convention, workshop, ceremonial event or press conference. The City Secretary's Office may post agendas for such events; however, there is no legal requirement to do so and in the event a notice is not posted for such functions, nothing shall preclude a quorum of the City Council from gathering as long as "deliberations" within the meaning of the Texas Open Meetings Act do not occur.

FIREARMS PROHIBITED at City Council meetings pursuant to Texas Penal Code Sections 46.035(c) and 30.05.

City of Carrollton

1945 E. Jackson Rd
Carrollton TX 75006

Agenda Memo

File Number: 7585

Agenda Date:

Version: 1

Status: Pre-meeting

In Control: City Council

File Type: Procedural Item

Agenda Number: 1.

Receive **information and discuss agenda.**

1945 E. Jackson Rd
Carrollton TX 75006

City of Carrollton

Agenda Memo

File Number: 5215

Agenda Date:

Version: 1

Status: Executive session

In Control: City Council

File Type: Procedural Item

Agenda Number: 2.

Council will convene in **Executive Session** pursuant to Texas Government Code:

- **Section 551.071** for private consultation with the City Attorney to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the City Attorney has a duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct regarding confidential communication with the City Council.
- Section 551.087 to discuss Economic Development.

Agenda Memo

File Number: 5218

Agenda Date: **Version:** 1 **Status:** Executive session

In Control: City Council **File Type:** Procedural Item

Agenda Number: 3.

Council will **reconvene in open session** to consider action, if any, on matters discussed in the Executive Session.

1945 E. Jackson Rd
Carrollton TX 75006

City of Carrollton

Agenda Memo

File Number: 7618

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Work Session

In Control: City Council **File Type:** Work Session Item

Agenda Number: 4.

City Council Meeting Date: April 21, 2026

Date: April 13, 2026

To: Erin Rinehart, City Manager

From: Krystle Boise, Strategic Services Director

Discuss **Cascade Strategy Visualization Platform And Receive Update On Destination 2040 Vision Plan.**

Background:
The purpose of this work session is to brief the Council on Cascade, the City's strategy visualization platform, and to use the tool to present an update on the Destination 2040 Vision Plan.

Agenda Date: 4/21/2026 **Version:** 1 **Status:** ATS Review

In Control: City Council **File Type:** Work Session Item

Agenda Number: 5.

City Council Meeting Date: **April 21, 2026**

Date: April 14, 2026

To: Erin Rinehart, City Manager

From: Diana Vaughn, Chief Financial Officer

Receive **Update On Bonds.**

Background:
Staff will provide an update on the City of Carrollton's Bonds.

City of Carrollton

1945 E. Jackson Rd
Carrollton TX 75006

Agenda Memo

File Number: 5231

Agenda Date:

Version: 1

Status: Work Session

In Control: City Council

File Type: Work Session Item

Agenda Number: 6.

Mayor And Council Reports And Information Sharing.

Agenda Memo

File Number: 7588

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Presentations

In Control: City Council **File Type:** Presentations

Agenda Number: 7.

City Council Meeting Date: April 21, 2026

Date: March 17, 2026

To: Erin Rinehart, City Manager

From: Rachel Young, Interim Library Director
Chrystal Davis, Assistant City Manager

Present **Proclamation Recognizing National Library Week.**

City of Carrollton

1945 E. Jackson Rd
Carrollton TX 75006

Agenda Memo

File Number: 7613

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Presentations

In Control: City Council **File Type:** Presentations

Agenda Number: 8.

City Council Meeting Date: April 21, 2026

Date: April 13, 2026

To: Erin Rinehart, City Manager

From: Chloe Sawatzky, City Secretary

Present **Certificates To The Citizens Government Academy Graduating Class Of 2026.**

Agenda Date:

Version: 1

Status: Public Forum

In Control: City Council

File Type: Public Forum

Agenda Number: 9.

<u>Citizen Comment</u> is the opportunity for citizens/visitors to speak on items listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items not on the posted meeting agenda will have the opportunity to speak during the Public Forum.

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Agenda Memo

File Number: 7614

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Minutes

Agenda Number: *10.

City Council Meeting Date: April 21, 2026

Date: April 13, 2026

To: Erin Rinehart, City Manager

From: Chloe Sawatzky, City Secretary

Consider **Approval Of The March 24, 2026 Regular Meeting Minutes.**

CARROLLTON CITY COUNCIL
REGULAR MEETING AND WORKSESSION
MARCH 24, 2026

The City Council of the City of Carrollton, Texas convened in a Regular Meeting and Worksession on Tuesday, March 24, 2026 at 5:45 p.m. with the following members present: Mayor Steve Babick, Deputy Mayor Pro Tem Daisy Palomo, Councilmembers Jason Carpenter, Andrew Palacios, Richard Fleming, and Rowena Watters. Also present were City Manager Erin Rinehart, Assistant City Manager Chrystal Davis, Assistant City Manager Shannon Hicks, City Attorney Meredith Ladd and City Secretary Chloe Sawatzky.

Mayor Pro Tem Christopher Axberg and Councilmember Nancy Cline attended via videoconference.

5:45 P.M. – COUNCIL BRIEFING ROOM

***PRE-MEETING / EXECUTIVE SESSION ***

Mayor Babick called the meeting to order at 5:45 p.m.

1. Receive information and discuss Agenda.

Agenda items were reviewed. Staff responded to Council's questions.

Council discussed Buddy Bonner as Carrollton's nominee to fill a vacancy on the Denton Central Appraisal District Board of Directors. Council consensus was to nominate Buddy Bonner. No other nominations were made.

Worksession Item 4 was addressed next.

2. Council convened into Executive Session at 6:49 p.m. pursuant to Texas Government Code:

- **Section 551.071** for private consultation with the City Attorney to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the City Attorney has a duty under the Texas Rules of Discipline and Professional Conduct regarding confidential communication with the City Council.
    - **Section 551.087** to discuss Economic Development.

3. Council reconvened in Open Session at 7:02 p.m. to consider action, if any, on matters discussed in the Executive Session.

WORKSESSION

4. Present **Information Technology Project Updates**.

Mayor Babick introduced Chris Chiancone, Chief Information Officer, and announced that he is the recipient of the ORBIE Award.

Mr. Chiancone provided Annual Project Activity Report for the IT Department. He reviewed the primary tasks that IT is responsible for and explained that IT also contracts with outside contractors to

accomplish certain projects. He described the support provided by IT to the various city departments, including data regarding city-wide Security Operations over the past year.

Mr. Chiancone reviewed the 17 completed projects that were successfully delivered over the past year. He added that currently there are 14 projects underway and 9 in the planning phase. Particular projects to improve Fire and Police operations and Police drone operations were described. Additionally, Mr. Chiancone advised that the city-wide fiber network deployment is completed. He added that the Carrie Mobile Application is nearing completion. Carrie is the new mobile app that residents may use to report issues, ask questions, or research city ordinances.

5. Mayor And Council Reports And Information Sharing.

Council reviewed their recent activities and upcoming events.

Executive Session was convened following Item 5.

*****REGULAR MEETING 7:00 P.M.*****

Mayor Babick called the Regular meeting to order at 7:12 p.m.

INVOCATION – Councilmember Rowena Watters

PLEDGE OF ALLEGIANCE – Councilmember Richard Fleming

PRESENTATIONS

6. Present **Certificates To Carrollton-Farmers Branch High School Students For The Completion Of The Vector Fleet Management Automotive Apprenticeship Program.**

Dwayne Bianco, Director of Fleet Services, advised that Carrollton's fleet maintenance company is Vector Fleet. He explained the relationship the City has with Vector Fleet and Creekview High School. Representatives from Vector Fleet and Creekview High School presented awards to Creekview High School students who have participated in the automotive repair program.

7. Present **Proclamation To The American Red Cross Recognizing Red Cross Month.**

Mayor Babick read a proclamation proclaiming March 2026 as:

Red Cross Month in Carrollton, Texas

He presented the proclamation to American Red Cross Advisory Board Member Stephanie Valadez. She offered words of appreciation.

8. Present **Proclamation Recognizing Women's History Month.**

Mayor Babick recognized Carrollton's current female City Council members, city department directors, city manager, and city attorney. He also recognized a previous Carrollton Mayor along with former female Council members, female school district officials, female county officials, and female state representatives who were present for this recognition.

CITIZEN COMMENT

9. **Citizen Comment is the opportunity for citizens/visitors to speak on items listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items not on the posted meeting agenda will have the opportunity to speak during the Public Forum.**

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Mayor Babick opened and closed the citizen comment period with no one wishing to speak.

CONSENT AGENDA

*(*All items marked with a single asterisk are part of a Consent Agenda and require no deliberation by the Council. Each Council member has the prerogative of removing an item from this agenda so that it may be considered separately. Contracts and agreements are available in the City Secretary's Office.)*

Deputy Mayor Pro Tem Palomo moved to approve Consent Agenda Items 10-19; second by Councilmember Palacios. The motion was approved with a unanimous 7-0 vote.

MINUTES

***10.** Consider **Approval Of The March 3, 2026 Regular Meeting Minutes.**

BIDS & PURCHASES

***11.** Consider **Authorizing The City Manager To Enter Into An Agreement With Onyx Paving & Utility, LLC Pursuant To Bid #26-011 For Boring And Trenching Services In An Amount Not To Exceed $667,000.00 Annually, For A Total Three-Year Contract Amount Not To Exceed $2,001,000.00.**

CONTRACTS & AGREEMENTS

***12.** Consider **Authorizing The City Manager To Enter Into An Agreement With Onyx Paving & Utility, LLC. Pursuant To BID #26-010 For Sidewalk Replacement Program In An Amount Not To Exceed $400,000.00 Annually, For A Total Three-Year Contract Amount Not To Exceed $1,200,000.00.**

***13.** Consider **Authorizing The City Manager To Enter Into An Agreement With Road Master Striping, Llc Through An Interlocal Contract With The City Of Allen For Street Pavement Marking Services In An Annual Amount Not To Exceed $400,000.00.**

RESOLUTIONS

***14.** Consider A **Resolution Nominating A Candidate To Fill A Vacancy On The Denton Central Appraisal District For The Board Of Directors.**

During the Work Session discussion of Consent Agenda items, Council discussed Buddy Bonner as Carrollton's nominee to fill a vacancy on the Denton Central Appraisal District Board of Directors. Council consensus was to nominate Buddy Bonner.

***15.** Consider A **Resolution Authorizing A Third Extension To A Civil Service Employee's Injury Leave As It Pertains To Texas Local Government Code Chapter 143.073.**

***16.** Consider A **Resolution Of The City Council Of The City Of Carrollton, Texas, Authorizing The City Manager To Take All Necessary Action Related To The Submission Of Applications Through The 2025 Homeland Security Grant Program And Acceptance Of Specific Awards Under The 2025 Urban Area Security Initiative (UASI) Grant And The 2025 State Homeland Security Program Grant In An Amount Not To Exceed $300,000.**

***17.** Consider A **Resolution Of The City Council Of The City Of Carrollton, Texas, Authorizing The City Manager To Take All Necessary Action Related To The Submission Of Applications Through The 2026 Homeland Security Grant Program And Acceptance Of Specific Awards Under The 2026 Urban Area Security Initiative (UASI) Grant And The 2026 State Homeland Security Program Grant In An Amount Not To Exceed $300,000.**

***18.** Consider A **Resolution Authorizing The City Manager To Enter Into A Project Specific Agreement With Dallas County Road And Bridge District #4 For The Mill And Asphalt Overlay Of Various Streets Located Within Park Terrace Subdivision In An Amount Not To Exceed $675,424.99.**

***19.** Consider A **Resolution Approving The Appointment Of New Members Of The Carrollton Police Reserve Pursuant To The Carrollton Code of Ordinances, Section 35.60(B), Which Authorizes Such Appointment By The Chief of Police.**

PUBLIC HEARING – INDIVIDUAL CONSIDERATION

20. Hold A **Public Hearing And Consider A Resolution Adopting The Amended Program Year 2025 Community Development Block Grant One-Year Plan Of Action And Budget.**

Cory Heiple, Environmental Services Director, advised that this item is to conduct a public hearing and adopt a resolution amending the 2025 Community Development Block Grant budget. He advised that some projects are being delayed and the funding for those items will be moved to next year. In addition, a new project is being added. He noted that this is the second year of the five-year Consolidated Plan.

Mr. Heiple reviewed that Housing and Urban Development (HUD) is providing $755,813 in new funding and there is an additional $972,537 in unspent funding included. He advised that the city receives approximately $750,000 per year in grant funds from HUD. He reviewed that the CDBG funding must serve low-to-moderate income residents. He stated that this effort is accomplished through housing repair programs, infrastructure, and public services. He noted that HUD rules limit infrastructure projects and public services.

Mr. Heiple stated that the new project for the 2025 CDBG is the Park Terrace Mill and Overlay. He noted that $1 million has been allotted in the event there are any overages. This item was approved as Item 18 on the Consent Agenda earlier in this meeting.

Mr. Heiple provided the list of projects included in the 2025 budget, stating that there are three projects being delayed. The Scott Mill Panel Replacement is being delayed. The Brake, Kirby, Cox Infrastructure and the Francis Perry Streets and Sidewalks projects will be included in the 2026 CDBG list of projects.

Mayor Babick opened the public hearing. There being no speakers, he closed the public hearing.

Councilmember Palacios moved to approve Item 20; Deputy Mayor Pro Tem Palomo seconded the motion. The motion was approved with a unanimous 7-0 vote.

PUBLIC FORUM

21. **Public Forum is the opportunity for citizens/visitors to speak on items not listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items on the posted meeting agenda will have the opportunity to speak during the Citizen Comment.**

Citizens/visitors should complete an appearance card located on the table at the entrance to the City Council Chambers. Speakers must address their comments to the presiding officer rather than to individual Council members or staff; Stand at the podium, speak clearly into the microphone and state your name and city of residence prior to beginning your remarks; Speakers will be allowed up to 3 minutes for testimony; Speakers making loud, abusive, personal, defamatory, impertinent, profane, threatening, or impertinent remarks may be removed from the room; Unauthorized remarks from the audience, stamping of feet, whistles, yells, booing, and similar demonstrations will not be permitted; No placards, banners, or signs will be permitted in the Chambers or in any other room in which the Council is meeting. Any person who does not comply with these provisions is subject to removal or forfeiting their right to attend a future meeting. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

Mayor Babick opened the public forum.

There being no speakers, Mayor Babick closed the public forum.

ADJOURNMENT - Mayor Babick adjourned the meeting at 7:43 p.m.

ATTEST:

_____ _____

Chloe Sawatzky, City Secretary Steve Babick, Mayor

City of Carrollton

1945 E. Jackson Rd
Carrollton TX 75006

Agenda Memo

File Number: 7615

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Minutes

Agenda Number: *11.

City Council Meeting Date: April 21, 2026

Date: April 13, 2026

To: Erin Rinehart, City Manager

From: Chloe Sawatzky, City Secretary

Consider **Approval Of The April 7, 2026 Regular Meeting Minutes.**

CARROLLTON CITY COUNCIL
REGULAR MEETING AND WORKSESSION
APRIL 7, 2026

The City Council of the City of Carrollton, Texas convened in a Regular Meeting and Worksession on Tuesday, April 7, 2026 at 5:45 p.m. with the following members present: Mayor Steve Babick, Mayor Pro Tem Christopher Axberg, Deputy Mayor Pro Tem Daisy Palomo, Councilmembers Nancy Cline, Jason Carpenter, Andrew Palacios, Richard Fleming, and Rowena Watters. Also present were City Manager Erin Rinehart, Assistant City Manager Chrystal Davis, Assistant City Manager Shannon Hicks, City Attorney Meredith Ladd and City Secretary Chloe Sawatzky.

***PRE-MEETING / EXECUTIVE SESSION ***

5:45 P.M. – COUNCIL BRIEFING ROOM

Mayor Babick called the meeting to order at 5:45 p.m.

1. Receive information and discuss Agenda.

Agenda items were reviewed. Staff responded to Council's questions.

Item 18 was discussed and Mayor Babick stated it could be pulled from the consent agenda.

2. Council will convene in Executive Session pursuant to Texas Government Code:

- **Section 551.071** for private consultation with the City Attorney to seek legal advice with respect to pending and contemplated litigation and including all matters on this agenda to which the City Attorney has a duty under the Texas Rules of Discipline and Professional Conduct regarding confidential communication with the City Council.

3. Council will reconvene in Open Session to consider action, if any, on matters discussed in the Executive Session.

Executive Session was not convened.

WORKSESSION

4. Receive **Public Safety Update.**

NTECC

Terry Goswick, CEO of NTECC (North Texas Emergency Communication Center), stated that NTECC is the 9-1-1 call center for the cities of Carrollton, Addison, Coppell and Farmers Branch. He provided information on the technological advances and services that have resulted in NTECC being recognized in Texas and nationally. He specifically spoke of the success of the cardiac care program and the artificial intelligence (AI) implemented for non-emergency calls. Details of how AI is being used at NTECC were provided. Statistics on the number and types of calls and the efficiency with which calls are being answered were provided.

Mr. Goswick provided photographs of the new Communications Center that is currently under construction and described some of the security features included in the building plans. He noted that the project is ahead of schedule and operations there are expected to go live at the new location in 2028.

In response to a question from Council, Mr. Goswick stated that the use of AI does not reduce the need staff on duty in the Communication Center. What it does is make response times to 9-1-1 non-emergency calls more efficient.

EMERGENCY MANAGEMENT

Elliott Reep, Emergency Management Coordinator, provided an overview of the emergency management program and conditions that would warrant activating emergency management protocols. He stated that there are five (5) phases of emergency management that include Prevention, Mitigation, Preparedness, Response, and Recovery. He noted that the most common conditions that result in emergency management services are natural hazards such as weather. He stated that the City of Carrollton has a web page specifically for Hazard Analysis. This time of year, preparedness includes monitoring storms and the emergency alert systems such as sirens, mass notifications, and social media. Mr. Reep noted the collaboration that occurs with other entities during storm events and power outages. The emergency shelter plan was reviewed along with the coordination that occurs with the Red Cross. Debris management coordination is another facet of the program.

5. Consider **August Through December 2026 Council Meeting Dates.**

City Secretary Chloe Sawatzky confirmed the following Council meeting dates:

August: 11th, 18th, and possibly the 25th [3 meetings scheduled due to budget cycle]
September: 1st, 15th
October: 13th, 20th
November: 3rd, 17th
December: 1st, 15th

6. Mayor And Council Reports And Information Sharing.

Council reviewed their recent activities and upcoming events.

Worksession concluded at 7:10 p.m.

*****REGULAR MEETING 7:00 P.M.*****

Mayor Babick called the Regular meeting to order at 7:20 p.m.

INVOCATION – Mayor Pro Tem Christopher Axberg

PLEDGE OF ALLEGIANCE – Councilmember Jason Carpenter

PRESENTATIONS

7. Present **A Proclamation To The North Texas Emergency Communications Center Recognizing National Public Safety Telecommunicators Week.**

Mayor Babick read a proclamation declaring **April 12 – 18, 2026 as National Public Safety Telecommunicators Week** in Carrollton. The proclamation was presented to Terry Goswick, CEO of NTECC. Several telecommunicators were present for this recognition.

8. Present **A Proclamation to CASA Of Denton County Recognizing Child Abuse Prevention Month.**

Mayor Babick read a proclamation recognizing **April as Child Abuse Prevention Month**. He presented the proclamation to Bethany Hartung of CASA Of Denton County and Advocate Robin Napier. Ms. Napier spoke in support of preventing child abuse.

CITIZEN COMMENT

9. **Citizen Comment is the opportunity for citizens/visitors to speak on items listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items not on the posted meeting agenda will have the opportunity to speak during the Public Forum.**

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Mayor Babick opened and closed the citizen comment period with no one wishing to speak. He advised that Item 18 is being pulled for separate consideration.

CONSENT AGENDA

*(*All items marked with a single asterisk are part of a Consent Agenda and require no deliberation by the Council. Each Council member has the prerogative of removing an item from this agenda so that it may be considered separately. Contracts and agreements are available in the City Secretary's Office.)*

Deputy Mayor Pro Tem Palomo moved to approve Consent Agenda Items 10-17; second by Councilmember Palacios. The motion was approved with a unanimous 7-0 vote.

CONTRACTS & AGREEMENTS

***10.** Consider **Authorizing The City Manager To Enter Into Agreements For Maintenance, Operations, And Repair (MRO) Supplies With Lowe's Home Centers, LLC And Home Depot Pro Through The Omnia Purchasing Cooperative In An Annual Amount Not To Exceed $180,000.00.**

***11.** Consider **Authorizing The City Manager To Enter Into An Agreement With Tartan Oil, LLC To Purchase Motor Vehicle Fuel Through An Interlocal Agreement With Tarrant County In An Amount Not To Exceed $1,500,000.00, Annually.**

***12.** Consider **Authorizing The City Manager To Approve A Contract For The Purchase Of One (1) Ford F-150 Truck and Four (4) Ford F-250 Trucks From Caldwell Country Ford Through An Interlocal Agreement With The BuyBoard Purchasing Cooperative In An Amount Not To Exceed $326,342.32.**

***13.** Consider **Authorizing The City Manager To Approve A Contract For The Purchase Of One (1) Ford F-350 and Two (2) Ford F-450 Trucks From Five Star Ford Through An Interlocal Agreement With The BuyBoard Purchasing Cooperative In An Amount Not To Exceed $310,872.10.**

***14.** Consider **Authorizing The City Manager To Approve A Contract For The Purchase Of One (1) International CV515 Dump Truck and Two (2) International HV-607 Dump Trucks From Southwest International Trucks Through An Interlocal Agreement With The BuyBoard Purchasing Cooperative In An Amount Not To Exceed $503,054.79.**

***15.** Consider **Authorizing The City Manager To Approve A Contract For The Purchase Of One (1) Kenworth T480 Concrete Mixer From MHC Kenworth Through An Interlocal Agreement With The BuyBoard Purchasing Cooperative In An Amount Not To Exceed $215,887.74.**

RESOLUTIONS

***16.** Consider A **Resolution Authorizing The City Manager To Execute An Easement Agreement With DMost Properties, LLC, For Mural And Exterior Improvements At 1011 S. Broadway Street.**

***17.** Consider A **Resolution Adopting the Amended Program Year 2025 Community Development Block Grant One-Year Plan of Action and Budget.**

*Item 18 was pulled for separate discussion***.**

***18.** Consider A **Resolution Authorizing Execution Of Easement Agreements For Parking Lot And Pedestrian Access Improvements For The Community Development Block Grant Funded Carrollton Black Cemetery Phase 1 Project.**

Councilmember Fleming stated that this item was discussed previously in the Worksession. He advised that after the Worksession he discussed the placement of the parking spaces in relation to the burial sites with the Deputy City Manager and now has a better understanding that they will not infringe on the burial sites.

Councilmember Fleming moved to approve Item 18; second by Mayor Pro Tem Axberg.

Deputy Mayor Pro Tem Palomo offered positive comments regarding this item.

The motion was approved with a unanimous 7-0 vote.

PUBLIC HEARING – INDIVIDUAL CONSIDERATION

19. Hold A **Public Hearing To Consider An Ordinance Amending The Text Of The Comprehensive Zoning Ordinance (CZO) To Amend, Add, Or Delete Content Related To Providing Orderly Organization And Renumbering Of Chapter Articles Including All Titles And Modifications To Cross References Contained Within The Table Of Contents; Article II., Zoning Districts; Article XIII., Neighborhood Services District (Repealed); Article XVI.I., Interstate Overlay District; Article XVII., Reserved For Future Use; Article XX., Transit Center Districts; Article XX.1., Corporate Commercial District; Article XX.2., Gateway Overlay District; Article XX.3., Historic Preservation Overlay District; Article XX.4., Josey-Belt Line Redevelopment Overlay District; Article XXV., Landscape And Screening; And Adding A New Article XXVI., Reserved For Future Use. Case No. PLZT 2026-006 CZO Text Amendment - Articles Restructure.**

Loren Shapiro, Planning Manager, presented this item. He advised that this is a city-initiated request to amend the Comprehensive Zoning Ordinance (CZO) pertaining to the restructuring of all articles within the CZO. No regulatory content would be added, removed or modified under this amendment.

This amendment includes the renumbering and relocation of specified articles, modifying article titles to improve consistency with nomenclature, and the utilization of reserved articles. The amendments are proposed to improve organization of the document, to the benefit of staff, developers, residents and all other users of the CZO.

Mr. Shapiro summarized the proposed changes as follows:

1. Replace Roman Numerals with Arabic Numerals

2. Relocate the contents of Article XX.1. Corporate Commercial District to Article XIII. "Reserved For Future Use" and rename to Article 13. Corporate Commercial District.

3. Relocate and consolidate the contents of Articles XVI.1. Interstate Overlay District, XX.2. Gateway Overlay District, XX.3. Historic Preservation Overlay District and XX.4. Josey Belt Line Redevelopment Overlay District to Article 17. "Reserved For Future Use" and rename to Article 17. Overlay Districts.

4. Reestablish Article XXVI. Reserved For Future Use, moving Outside Storage and Outside Display regulations to Article 27. All remaining article and chapter topics and regulations will shift forward in order through Article 41.

5. Renumber all articles accordingly and remove unused articles, including Articles XVI.1., XX.1, XX.2., XX.3. and XX.4.

6. No regulatory content would be added, removed or modified.

Deputy Mayor Pro Tem Palomo, Councilmember Carpenter and Mayor Babick spoke in favor of these changes.

Mayor Babick opened the public hearing.

Cissy Silo: Spoke in favor of this item.

Mayor Babick closed the public hearing.

Councilmember Palacios moved to approve Item 19; second by Mayor Pro Tem Axberg. The motion was approved with a unanimous vote of 7-0

20. Hold A **Public Hearing To Consider An Ordinance Amending The Text Of The Comprehensive Subdivision Ordinance (CSO) To Amend, Add Or Delete Content, Including Amendments To Article III. Procedures For Plat Approval, Section A. Procedure.; Article VI. Final Plat, Section B. General Provisions, 2. Procedure And 4. Content; Article VII. Replat, Section B. General Provisions, 4. Content.; And Article VIII. Miscellaneous Plats And Abandonments, Section E. Conveyance Plats. Related To Modifying Platting Procedures And Permitting Conveyance Of Lots On Both Final Plats And Replats. Case No. PLST 2025-207 CSO Text Amendment - Utility Signatures.**

Loren Shapiro, Planning Manager, presented this item. He stated this is a city-initiated request to amend the text of the Comprehensive Subdivision Ordinance (CSO) to revise procedures associated with utility company coordination and authorization of plat recordation, to permit conveyance plats in combination with a final plat on the same instrument, and to require a note on replats where a subdivision occurs with the intent of conveying a lot.

Mr. Shapiro stated that the proposed updates modernize the City's platting procedures by removing outdated utility-signature requirements, aligning Carrollton with regional practices, and clarifying processes for conveyance-related plats. City staff coordinated with each utility provider ensuring that proposed revisions meet their operational needs. The proposed revisions aim to amend the CSO to remove the requirement that all utility providers—Atmos, Oncor, and CoServ—must sign plats prior to recordation with the county. The City has received numerous comments from these utility companies indicating that Carrollton is the only city in the metroplex that requires utility signatures on plats. Additionally, Oncor's legal team has instructed their staff to discontinue signing plats altogether.

In response, the proposed amendments would require applicants to submit letters from Atmos Energy, Oncor Electric Delivery Company LLC, CoServ Electric, and/or CoServ Gas, as applicable, confirming the provider has no objection to the plat and that no existing facilities or interests conflict with its recordation. Utility signatures would no longer be a requirement on plats.

The CSO amendments will also clarify procedures for plats that combine both a conveyance plat and a final plat on the same instrument, and conveyance of land on a replat, to subdivide a lot with the intent of conveying one or more lots. The conveyance-only portion may be recorded for the purpose of land transfer without initiating development, provided that any future development will require a subsequent plat to ensure compliance with applicable requirements.

Mr. Shapiro summarized the proposed changes as follows:

1. Revise procedures and content associated with utility company coordination and authorization of plat recordation.

2. Allow conveyance plats in combination with a final plat or Replat application.

3. Require a note on final plats and replats where a subdivision occurs with the intent of conveying one or more lots.

4. Minor modifications to homeowner agreement notes.

Councilmember Watters confirmed with Mr. Shapiro that the letters provide the same legal protection as the signature blocks.

Councilmember Carpenter inquired how will the city know it has been done and whether the letter is recorded with the plat. Mr. Shapiro advised that the developer emails information to the city and the city then sends it to the utility companies. The city sends the right version of the plat; the developer then has to acquire the letter from each utility. Once the city receives the letters from the developer, the city will sign off on the plat.

Deputy Mayor Pro Tem Palomo asked for an explanation of #4. Mr. Shapiro stated that in Article 6. there is a verbiage change from "must" to "shall" on the homeowner's agreement.

Mayor Babick opened the public hearing. There being no speakers he closed the public hearing.

Councilmember Carpenter moved to approve Item 20; Mayor Pro Tem Axberg seconded the motion. Motion was approved with a unanimous vote of 7-0.

PUBLIC FORUM

21. Public Forum is the opportunity for citizens/visitors to speak on items not listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items on the posted meeting agenda will have the opportunity to speak during the Citizen Comment.

Citizens/visitors should complete an appearance card located on the table at the entrance to the City Council Chambers. Speakers must address their comments to the presiding officer rather than to individual Council members or staff; Stand at the podium, speak clearly into the microphone and state your name and city of residence prior to beginning your remarks; Speakers will be allowed up to 3 minutes for testimony; Speakers making loud, abusive, personal, defamatory, impertinent, profane, threatening, or impertinent remarks may be removed from the room; Unauthorized remarks from the audience, stamping of feet, whistles, yells, booing, and similar demonstrations will not be permitted; No placards, banners, or signs will be permitted in the Chambers or in any other room in which the Council is meeting. Any person who does not comply with these provisions is subject to removal or forfeiting their right to attend a future meeting. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

Mayor Babick opened the public forum.

Pat Malone: Spoke regarding the contractor staging area located behind her fence. She stated it has been there for three years and would like them to move to a different location.

Cissy Silo: Spoke with concerns about roadway redesign plans in the area of Frankdford and Hebron Parkway- specifically trees being removed and the closing of a median.

There being no other speakers, Mayor Babick closed the public forum.

ADJOURNMENT - Mayor Babick adjourned the meeting at 8:00 p.m.

ATTEST:

_____ _____

Chloe Sawatzky, City Secretary Steve Babick, Mayor

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Contracts/Agreements

Agenda Number: *12.

City Council Meeting Date: April 21, 2026

Date: April 9, 2026

To: Erin Rinehart, City Manager

From: Melissa Everett, Finance Director
Diana Vaughn, Chief Financial Officer

Consider **Authorizing The City Manager To Enter Into An Agreement With Forvis Mazars, LLP Pursuant To RFP #26-014 For Independent Auditing Services For An Amount Not To Exceed $150,000.00 For The Fiscal Year 2026 Audit.**

Background:
On February 23, 2026, the City issued RFP #26-014 Independent Auditing Services for auditing services. Request for proposal notifications were posted online. Interested vendors were contacted and advertisements were placed in the Dallas Morning News. The RFP closed on March 18, 2026.

Five vendors submitted a response. The Finance Department reviewed and evaluated the submissions and selected Forvis Mazars, LLP based on criteria related to qualifications, project approach, references, fees, and prior successful service for the City of Carrollton. The award will be for a three-year initial term. The award also includes two additional one-year renewal options, if mutually agreed upon by the City and the vendor, for a potential five-year total contract. The costs for the Fiscal Year 2026 Audit include the annual audit services, the implementation of a new standard, an additional single audit grant program review, and costs related to the Forvis Mazars software, The Reporting Solution, that is used to prepare the annual financial statements.

Although the contract may span up to five years, Council approval will be sought annually for the corresponding year's expenditure, as annual spend amounts vary based upon required grant program reviews and procured audit pricing.

Financial Implications:
The services covered by this contract will be paid for by funding in the Finance Department's Budget.

Impact on Community Sustainability:
This partnership continues the Council's focus on building and maintaining a consistently thriving and diverse financial base while being outstanding stewards of City resources.

Staff Recommendation/Action Desired:
Staff recommends City Council authorize the City Manager to enter into an agreement with Forvis Mazars, LLP pursuant to RFP #26-014 for independent auditing services for an amount not to exceed $150,000.00 for the fiscal year 2026 audit, with future-year expenditures to return to Council annually for approval.

Supplier Scoring Summary

RFP #26-014 Addendum 1 - Independent Auditing Services - Scoring Round

Supplier	Rank	Score	RFP Criteria	Organization & Qualifications/Personnel	Audit Approach	References	Fee
		100		50.00	30.00	15.00	5.00
Forvis Mazars, LLP	1	82.20		40.20	24.80	13.20	4.00
Crowe LLP	2	77.20		39.20	22.00	11.80	4.20
Eide Bailly LLP	3	75.40		36.60	23.60	10.80	4.40
CliftonLarsonAllen LLP	4	74.20		37.00	23.40	11.00	2.80
Macias Gini & OConnell LLP	5	69.80		34.60	21.60	10.40	3.20
	Average Score	75.76		37.52	23.08	11.44	3.72

Agenda Memo

File Number: 7611

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Contracts/Agreements

Agenda Number: *13.

City Council Meeting Date: **April 21, 2026**

Date: April 10, 2026

To: Erin Rinehart, City Manager

From: Melissa Everett, Director - Finance
Chrystal Davis, Assistant City Manager

Consider **Authorizing The City Manager To Enter Into An Agreement With Northern Imports, Inc, DBA Work Wear Safety Shoes And Multi Service Technology DBA Red Wing Brands Of America, Inc. Pursuant To RFP #26-016, Safety Shoes In An Amount Not To Exceed $55,000.00, Annually, For A Three-Year Total Not To Exceed $165,000.00.**

Background:
This contract will provide safety shoes for various City departments to maintain the protection requirements of City personnel. The departments that will utilize this contract are Public Works, Parks, Facilities, Environmental, Engineering, Utility Customer Service, and Development Services.

A Request for Proposal (RFP) was issued, notifications were posted online and in the Dallas Morning News, and previous and interested vendors were contacted. A total of four (4) vendors submitted responses. Submissions were evaluated by department representatives and Northern Imports, Inc, dba Work Wear Safety Shoes and Multi Service Technology dba Red Wing Brands of America, Inc. were selected as the most responsive based on the overall price and the ability to provide quality goods and services.

The award is for a one-year initial term. The award also includes two additional one-year renewal options, if mutually agreed upon by the City and the vendor, for a potential three-year total contract not to exceed $165,000.00.

Financial Implications:
The safety shoes on RFP #26-016 will be purchased from budgeted funds for the cost center and amount as listed below.

COST CENTER	LINE ITEM	BUDGET AMOUNT
Various Department Cost Centers	60170	$55,000.00

Impact on Community Sustainability:
This project supports and aligns with the City Council's goals and objectives of ensuring our employees have appropriate resources.

Staff Recommendation/Action Desired:
Staff recommend City Council authorize the City Manager to enter into an agreement with Northern Imports, Inc, dba Work Wear Safety Shoes and Multi Service Technology dba Red Wing Brands of America, Inc. pursuant to RFP #26-016 for Safety Shoes in an amount not to exceed $55,000.00, annually, for a total three-year amount not to exceed $165,000.00.

Supplier Scoring Summary

RFP 26-016 - Safety Shoes - Scoring Round

Supplier	Rank	Score	Pricing of Requested Se	Pricing of Requested Se	Delivery Performance a	Delivery Performance a
		100	50.00		50.00	
Work Wear Safety Shoes	1	73.40	45.50		46.25	
Red Wing Brands of America	2	56.60	37.50		33.25	
Galls, LLC	3	45.40	33.00		23.75	
Georgia Underground and Supply	4	38.00	23.75		23.75	
		53.35	34.94		31.75	

Agenda Memo

File Number: 7617

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Contracts/Agreements

Agenda Number: *14.

City Council Meeting Date: April 21, 2026

Date: April 13, 2026

To: Erin Rinehart, City Manager

From: Jonathan Wheat, P.E., Director of Engineering
Shannon Hicks, P.E., Assistant City Manager

Consider **Authorizing the City Manager To Approve A Construction Contract With JonesCo General Contractors, LLC. For The City Hall Exterior And 1st & 2nd Level Improvements Project In An Amount Not To Exceed $1,132,323.00.**

Background:
As part of an ongoing effort to maintain City facilities, city staff has advanced a consolidated project for security enhancements to the exterior and 1st and 2nd floor interior of City Hall. The exterior work includes concrete replacement of the loading dock to address drainage, installation of a security gate at the loading dock, modifications to the existing accessibility ramp at the main entrance, and the addition of a new accessibility ramp at the back entrance. The interior work includes renovation & adjustment of the reception area, and service counter modifications to the Utility Service Center, Development Services, Workforce and Environmental Services, for increased security. Modifications will consist of selective demolition as shown in plans, replacement of ceiling grid and tile and interior lighting as shown in plans, painting of walls in interior and office areas, and electrical and HVAC adjustments to accommodate the interior renovations.

Construction will occur in six (6) phases to minimize the impact of city staff and services to city residents. City personnel will temporarily relocate at each phase for the duration of the project. A master schedule has been developed that includes temporary staff relocation, removal of old furniture, all construction components, installation of new furniture, and restoring staff and operations at the completion of each phase. While an actual schedule will be developed once all contracts are secured, construction duration is estimated to be complete in eight months.

The Architect's opinion of probable cost for work covered by this contract phase was estimated at $1,266,439.43. As outlined below, the actual lowest qualified proposal is approximately 19% below

budget, while meeting all project goals.

Financial Implications:
Construction services for this project have been selected through competitively sealed proposals in accordance with State Law. The City evaluated and ranked each proposed contractor based on the following selection criteria: 65% proposed price and 35% contractor qualifications. The City then selected the contractor that offered the best value as determined by the selection criteria and ranking evaluation.

Fourteen (14) proposals were received on February 17, 2026, and ranged from $776,457.44 to $1,647,777.00. However, State Law allows for evaluation of all selection criteria in the competitively sealed proposals procurement process, which included the price and contractor qualifications.

Staff have reviewed the required contractor qualification packets, and determined in consideration of all selection criteria, the contractor JonesCo General Contractors, LLC, has submitted the lowest qualified proposal of $1,029,383.00. Although they may not present the lowest monetary proposal, JonesCo possesses the most comparable qualifications over all other proposers. JonesCo has an excellent reputation with Dallas County and is currently under contract for the City of Carrollton Detention Center Renovation project. Upon incorporation of all selection criteria based on price and qualifications, JonesCo General Contractors, LLC is concluded to be the most qualified contractor for this project and offers the best overall value to the City of Carrollton. Staff consider this contractor to be the lowest responsible proposer and offers the best value to the city for the City Hall Exterior and 1st & 2nd Level Interior Improvements project.

JonesCo General Contractors, LLC has submitted the lowest qualified proposal to perform the construction services for the project in the amount of $1,029,383.00. Funding is available in the Maintenance Special Projects Account.

Staff recommends the inclusion of a construction contingency. The construction contingency provides an expedient manner to accommodate unforeseen costs and minor additions in work common in all construction projects. Examples include unexpected conditions discovered during construction, and changes to design that were not possible during plan generation. All charges against contingency must be supported by detailed pricing information and approved by the City through a formal change order. However, having advanced Council authorization ensures that work progress is not impeded. Typical construction contingencies for a project of this magnitude range from 5-10% of the total contract amount. Staff recommend a 10% (original contract amount) contingency or $102,940.00.

Impact on Community Sustainability:
This project will support the City Council's strategic objectives and vision of building a community that families and businesses want to call home by:

- Enhancing the safety and accessibility of City Hall through improved ramps, circulation pathways, and upgraded building systems. (Hospitality, Accessible)
- Improving customer experience and operational efficiency with redesigned reception areas and secure service. (Optimized, Hospitality)
- Supporting employee productivity and workspace quality through updated interior finishes,

lighting, HVAC, and phased construction minimizing operational disruption. (Motivated)

Staff Recommendation/Action Desired:

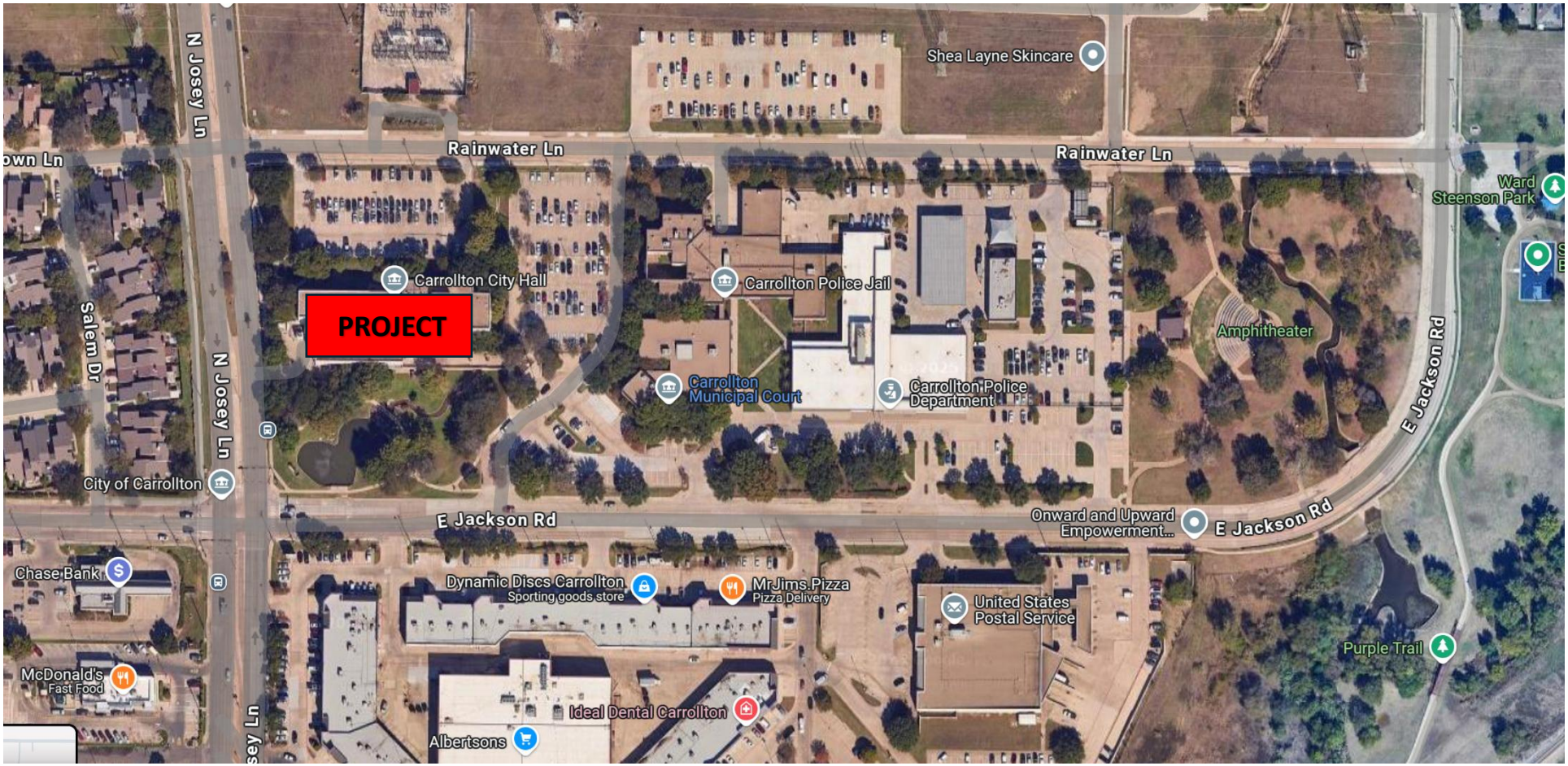
Staff recommends City Council authorize the City Manager to approve a construction contract with JonesCo General Contractors, LLC for the exterior and 1st & 2nd level interior improvements of City Hall in an amount not to exceed $1,132,323.00. ($1,029,383.00 proposal and a $102,940 (10%) construction contingency).

Evaluation and Rankings Summary

City Hall Remodel & Renovations

Contractor	Price (65% max)	Qualifications (35% max)	Total Score	Rank
JonesCo General Contractors, LLC.	53%	28%	81%	1
Falkenberg Construction Co., Inc.	47%	32%	79%	2
MFS Hospitality LLC	53%	22%	75%	3
Vision Builders Management LLC	49%	25%	74%	4
JM Management LLC dba JM Construction Solutions	43%	27%	70%	5
GG Contractors, LLC dba G2 General Contractors	46%	24%	70%	6
Gomez Floor Covering, Inc. dba GFC Contracting	38%	31%	69%	7
Sirius Building Company	45%	21%	66%	8
Ambercrest Construction, LLC	39%	19%	58%	9
Tegrity Contractors, Inc.	31%	26%	57%	10
~~CMC Development & Construction Corporation, LLC~~	~~42%~~	~~Disqualified~~	~~42%~~	~~11~~
~~Concord Commercial Services, Inc.~~	~~34%~~	~~Disqualified~~	~~34%~~	~~14~~
~~MGS Cortex Construction, Inc.~~	~~37%~~	~~Disqualified~~	~~37%~~	~~13~~
~~MRC Builds~~	~~42%~~	~~Disqualified~~	~~42%~~	~~11~~

LOCATION MAP



Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Ordinances

Agenda Number: *15.

City Council Meeting Date: April 21, 2026

Date: April 3, 2026

To: Erin Rinehart, City Manager

From: Diana K. Vaughn, CFO
Chrystal Davis, Assistant City Manager

Consider An **Ordinance of the City Council of the City of Carrollton, Texas, Authorizing the Issuance of "City of Carrollton, Texas, General Obligation Bonds, Series 2026"; Levying a Continuing Direct Annual Ad Valorem Tax for the Payment of Said Bonds; Resolving Other Matters Incident and Related to the Issuance, Sale, Payment, and Delivery of Said Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; Delegating Matters Relating to the Sale and Issuance of the Bonds to Authorized City Representatives; and Providing for an Effective Date.**

Background:
The City plans to issue General Obligation Bonds, Series 2026 (the "Bonds") the week of May 18th via competitive sale. The Bonds will fund approximately $33,250,000 of capital projects approved by voters at the November 2022 election and cover associated issuance costs. Funds are estimated to be allocated for street improvements in the amount of $24,700,000; public safety facilities improvements in the amount of $7,800,000; and animal shelter facilities improvements in the amount of $750,000. The estimated cost of issuing the Bonds is approximately $450,000. The ordinance authorizes the sale of up to $33,500,000 in bonds depending on market conditions.

Financial Implications:
Issuing the Bonds will support the continuation of the City's capital improvement program. The Bonds are payable from ad valorem taxes and will be issued on a tax-exempt basis, making them subject to federal arbitrage laws. All issuance costs will be paid from the Bond proceeds.

Impact on Community Sustainability:
This bond issuance supports and aligns with the City Council's goals and objectives to properly manage infrastructure with fiduciary care and improves the City's financial position and sustainability.

Staff Recommendation/Action Desired:

Consider An Ordinance of the City Council of the City of Carrollton, Texas, Authorizing the Issuance of "City of Carrollton, Texas, General Obligation Bonds, Series 2026"; Levying a Continuing Direct Annual Ad Valorem Tax for the Payment of Said Bonds; Resolving Other Matters Incident and Related to the Issuance, Sale, Payment, and Delivery of Said Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; Delegating Matters Relating to the Sale and Issuance of the Bonds to Authorized City Representatives; and Providing for an Effective Date.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF CARROLLTON, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2026"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, PAYMENT, AND DELIVERY OF SAID BONDS; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF THE BONDS TO AUTHORIZED CITY REPRESENTATIVES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Carrollton, Texas (the "City Council"), hereby finds and determines that general obligation bonds approved and authorized to be issued at an election held on November 8, 2022 (the "Election") should be authorized to be issued at this time;

WHEREAS, a summary of the general obligation bonds authorized at the Election, including the principal amounts authorized and the amounts heretofore issued follows:

Election Date	Purpose	Amount Authorized ($)	Amounts Previously Applied ($)	Amount Being Applied ($)	Unissued Balance ($)
11-8-2022	Street Improvements/Traffic Flow	102,450,000	57,295,000	*	*
11-8-2022	Public Safety Facilities	8,800,000	1,000,000	*	*
11-8-2022	Parks & Recreation Facilities	18,900,000	15,700,000	*	*
11-8-2022	Animal Shelter Facilities Improvements	4,800,000	-	*	*
11-8-2022	Trail Improvements	2,000,000	1,700,000	*	*

* amounts to be provided in the Pricing Certificate (hereinafter referenced)

WHEREAS, the amounts being issued pursuant to this Ordinance and the amounts of unissued balances remaining to be issued subsequent to the issuance of the general obligation bonds issued pursuant to this Ordinance shall be provided in the Pricing Certificate;

WHEREAS, pursuant to Section 1371.001(4)(A), Texas Government Code, the City is an "issuer" for purposes of Texas Government Code, Chapter 1371, as amended; and

WHEREAS, the City Council shall, by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, delegate to a Pricing Officer (hereinafter designated) the authority to determine certain terms, conditions, and other provisions of the bonds issued pursuant to this Ordinance, including the principal amount of bonds to be issued and the terms of sale thereof; and

WHEREAS, the City Council hereby finds and determines that (i) it is a public purpose and in the best interests of the City to authorize the issuance of the Bonds (hereinafter defined), in one or more series, for the purposes authorized by the Election and (ii) the terms of such Bonds shall be included in one or more pricing certificates (each a "Pricing Certificate") to be executed by the Pricing Officer, all in accordance with the authority conferred by Texas Government Code, Section 1207.007, as amended, and Texas Government Code, Chapter 1371, as amended;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARROLLTON, THAT:

SECTION 1

All of the above premises are found to be true and correct legislative and factual findings of the City Council, and they are hereby approved, ratified, and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2

Authorization - Series Designation - Principal Amount - Purpose - Bond Date. General obligation bonds of the City shall be and are hereby authorized to be issued, from time to time, in one or more series in the aggregate principal amount set forth in the Pricing Certificate to be designated and bear the title "CITY OF CARROLLTON, TEXAS GENERAL OBLIGATION BONDS, SERIES 2026", or such other designation as specified in the Pricing Certificate (herein referred to as the "Bonds"), to provide funds for the following purposes, all as provided in the Pricing Certificate and in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1331 and 1371, as amended:

(1) for permanent public improvements and public purposes, to wit:

(A) designing, acquiring, constructing, maintaining, renovating, improving, repairing, extending, expanding, and enhancing streets, including thoroughfares, alleys, sidewalks, bridges, intersections, screening walls, and other public ways, participation in joint projects with federal, state, and local public entities and agencies, computerized signalization and monitoring equipment and other traffic controls, grade separations, street lighting, necessary or incidental utility relocation, and drainage improvements in connection with the foregoing and the purchase of land, easements, rights-of-way, and other real property interests necessary therefor,

(B) acquiring, constructing, improving, expanding, and equipping public safety facilities, including any needed land and rights-of-way therefor,

(C) renovating, constructing, developing, improving, expanding, furnishing, equipping animal shelter facilities, including any needed land and rights-of-way therefor, and

(2) to pay the costs and expenses of issuance.

SECTION 3

Bond Date - Fully Registered Obligations - Terms. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s), as defined and

referenced in Section 9 hereof) shall be in denominations of $5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 4

Delegation of Authority to Pricing Officer.

(a) As authorized by Texas Government Code, Chapter 1371, as amended, the City's Chief Financial Officer or City Treasurer (either, a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds, from time to time, and carrying out the other procedures specified in this Ordinance, including determining whether the Bonds shall be issued in one or more series, and determining the terms, conditions, and other provisions of the Bonds; determining the aggregate principal amount of each series of Bonds, the aggregate principal amount to be issued, and the amounts to be issued from each proposition; determining the date of each series of the Bonds, any additional or different designation or title by which the Bonds shall be known; the price at which the Bonds of each series will be sold; the manner of sale (negotiated, privately placed or competitively bid); the years in which the Bonds will mature and the principal amount to mature in each year; the rate of interest to be borne by each such maturity; the date from which interest on the Bonds will accrue; the interest payment dates, the record date, and the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity, including any mandatory redemption provisions; determination of the use of a book-entry-only securities clearance, settlement, and transfer system; designation of a paying agent/registrar (the "Paying Agent/Registrar"); whether to procure and, if so, the terms of any bond insurance applicable to the Bonds; the designation of one or more funds for the payment of the Bonds; and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the defeasance provisions contained in Section 13 hereof, the continuing disclosure undertaking contained in Section 29 hereof or such other provisions as may be required by the purchasers of the Bonds, all of which shall be specified in the Pricing Certificate, provided that the Bonds to be issued, prior to delivery, must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations and:

(1) the aggregate original principal amount of the Bonds shall not exceed $33,500,000;

(2) the true interest cost rate for the Bonds shall not exceed 6.00%; and

(3) the maximum maturity for the Bonds shall not exceed August 15, 2041.

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer within 180 days of the date hereof (the "Expiration Date"). Bonds sold pursuant to a Purchase Contract (hereinafter defined) executed on or before the Expiration Date may be delivered after such date. The Pricing Officer may exercise such delegation on more than one occasion during such time period. Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

The Pricing Certificate is hereby incorporated into and made a part of this Ordinance. Any finding, determination, or election made by a Pricing Officer relating to the issuance and sale of the Bonds and the execution of the Pricing Certificate and the Purchase Contract in connection therewith shall have the same force and effect as a finding, determination, or election made by the City Council.

To the extent that any of the terms and conditions or other matters determined by a Pricing Officer pursuant to the authority conferred by this Ordinance require or necessitate a change or modification in the text or form of this Ordinance to conform to such terms and conditions or other matters, the Pricing Officer is authorized to effect such change or modification.

SECTION 5

Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption, or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange, and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit B** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices provided in the Pricing Certificate (the "Designated Payment/Transfer Office"); provided, however, while a Bond is registered to Cede & Co., the payment thereof upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest due on the Bonds shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the "Record Date" (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (1) by check dated as of the interest payment date, sent United States mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (2) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on one or more maturities of the Bonds on a scheduled payment date, and for at least thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such past due interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of the Bonds appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 6

Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with the provisions of the Paying Agent/Registrar Agreement and such rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bond(s) authorized in Section 9 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 9 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the City, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 12 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 7

Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 5 and 6 hereof relating to the payment and transfer/exchange of the Bonds, the City

hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred, and exchanged on the Security Register maintained by the Paying Agent/Registrar, and payment of such Bonds shall be made in accordance with the provisions of Sections 5 and 6 hereof.

SECTION 8

Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under the City's seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the Purchasers and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in **Exhibit A** hereto, executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in **Exhibit A** hereto, manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed

upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 9

Initial Bond(s). The Bonds herein authorized shall be initially issued either:

(1) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or

(2) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the Purchasers or the designee thereof.

The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas, and delivered to the Purchasers. Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the Purchasers, or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 10

Form of Bonds. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in **Exhibit A** hereto with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer.

The Pricing Certificate(s) shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied, or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

SECTION 11

Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Bonds, being (1) the interest on the Bonds and (2) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater) there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, sufficient to pay the Debt Service Requirements of the Bonds as the same becomes due and payable; and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the payment of the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding (hereinafter defined); full allowance being made for delinquencies and costs of collection; the taxes levied, assessed, and collected for and on account of the Bonds shall be accounted for separate and apart from all other funds of the City and shall be deposited to the credit of a "Special 2026 General Obligation Bond Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

PROVIDED, however, in regard to the payment to become due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date, if any, sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which, together with the accrued interest, if any, received from the Purchaser, will be sufficient to pay the payments due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date.

The Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 12

Mutilated – Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond

of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after:

(1) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and

(2) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless.

All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 13

Satisfaction of Obligation of City.

(a) If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when:

(1) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or

(2) Government Securities (hereinafter defined) shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting or consulting firm to mature

as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof.

The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

(b) Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

Unless otherwise provided by the Pricing Certificate, the term "Government Securities", as used herein, means:

(1) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America,

(2) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent,

(3) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and

(4) any other securities or obligations authorized under applicable law to defease obligations such as the Bonds.

The City reserves the right, subject to satisfying the requirements of (a)(1) and (a)(2) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Bonds shall no longer be regarded to be Outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the City:

(1) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption;

(2) gives notice of the reservation of that right to the Holders of the Bonds immediately following the making of the firm banking and financial arrangements; and

(3) directs that notice of the reservation be included in any redemption notices that it authorizes.

SECTION 14

Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 28 hereof; provided, however, that the City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders who own a majority of the aggregate of the principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the Pricing Certificate; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall:

(1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds,

(2) give any preference to any Bond over any other Bond, or

(3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

(1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 13 hereof; and

(3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 12 hereof.

SECTION 15

Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary, or final Income Tax Regulation designed to supplement, amend, or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if:

(1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes;

(2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or

(3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures, and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to the United States from an appropriate fund, or if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals:

(A) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and

(B) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date.

In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

(k) Bonds Not Hedge Bonds. With respect to the new capital projects being financed with the proceeds of the Bonds, the City reasonably expects to spend at least 85% of the spendable proceeds of such Bonds within three (3) years after such Bonds are issued, and (2) not more than 50% of the proceeds of the Bonds allocable to the capital projects financed with proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of four (4) years or more.

SECTION 16

Sale of Bonds – Official Statement. The Bonds may be sold to the Purchasers pursuant to a bond purchase agreement in the event of a negotiated sale, a letter agreement, or purchase letter

in the event of a private placement, or the terms of a notice of sale in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract shall be determined by the Pricing Officer. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of the City Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final and incontestable.

With regard to the terms and provisions of said Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

(1) The terms, provisions and other details of the Bonds, including matters related to the offering and sale of the Bonds by the Purchaser;

(2) Matters related to an Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's agreement to provide information in accordance with the Rule (defined herein), if applicable;

(3) A security or good faith deposit for the Bonds, if any; and

(4) Such other terms, conditions, representations, and provisions as the Pricing Officer determines to be necessary and advisable.

The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and a final Official Statement, prepared in connection with the offering of the Bonds, and such Official Statement in the form and content approved and deemed final by the Pricing Officer shall be deemed to be approved by the City Council of the City and shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 17

Control and Custody of Bonds. The Mayor shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders, and records, including the definitive Bonds and the Initial Bond(s), pending the investigation and approval of the Initial Bond(s) by the Attorney General of the State of Texas, and the registration of the Initial Bond(s) to the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances, and reasonable expectations pertaining to the use, expenditure, and investment of the proceeds of the Bonds, as may be necessary for the issuance of the Bonds, the approval of the Attorney General, the registration by the Comptroller of Public Accounts, and the delivery of the

Bonds to the Purchasers and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchasers and the initial exchange thereof for definitive Bonds.

SECTION 18

Proceeds of Sale. The proceeds of sale shall be applied in accordance with instructions provided by the Pricing Officer.

Pending expenditure for authorized projects and purposes, such proceeds of sale deposited to the construction fund may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Section 2256.015, et seq, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the Pricing Officer. Any excess bond proceeds issued for new money purposes, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Interest and Sinking Fund.

SECTION 19

Notices to Holders-Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance or the Pricing Certificate provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 20

Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 21

Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Bonds. In accordance with the City of Carrollton City Charter § 2.13, the City Attorney has engaged Orrick, Herrington & Sutcliffe LLP as the Bond Counsel, for the purposes of this Ordinance and the issuance of the Bonds.

SECTION 22

CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 23

Benefits of Ordinance. Nothing in this Ordinance or the Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance, or any provision hereof or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 24

Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the Pricing Certificate, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance and the Pricing Certificate shall be and remain controlling as to the matters contained herein and therein.

SECTION 25

Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 26

Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 27

Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 28

Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council of the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 29

Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule is required, this Section 29 shall apply.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB:

(1) within six (6) months after the end of each fiscal year of the City beginning in the year stated in the Pricing Certificate, financial information and operating data with respect

to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and

(2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be:

(A) prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and

(B) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements within such twelve-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than ten (10) business days after occurrence of the event:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of holders of the Bonds, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes (i) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City and (ii) the City intends the words used in the immediately preceding paragraphs (15) and (16) in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if:

(1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and

(2) either:

(A) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment, or

(B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds.

The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 30

Municipal Bond Insurance. The Bonds may be sold with payment of all or any portion of the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 31

Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary, are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates, or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, City Secretary, or Bond Counsel to the City are each hereby authorized and directed to

approve any technical changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance:

(1) in order to cure any technical ambiguity, formal defect, or omission in the Ordinance or such other document; or

(2) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Ordinance, which determination shall be final.

In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 32

Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance 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 Ordinance, was given, all as required by Chapter 551 of the Government Code, as amended.

SECTION 33

Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028.

[*remainder of page left blank intentionally*]

DULY PASSED AND APPROVED by the City Council of the City of Carrollton, Texas, this 21st day of April, 2026.

CITY OF CARROLLTON, TEXAS

_____
Steve Babick, Mayor

ATTEST:

_____
Chloe Sawatzky, City Secretary

(City Seal)

APPROVED AS TO FORM:

_____
Meredith A. Ladd, City Attorney

APPROVED AS TO CONTENT:

_____
Diana K. Vaughn, CFO

EXHIBIT A
FORM OF BOND

(a) Form of Definitive Bond.

REGISTERED
NO. R-_____

PRINCIPAL AMOUNT
$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF CARROLLTON, TEXAS
GENERAL OBLIGATION BOND, SERIES 2026

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP No.:	Delivery Date:
_____	____%	_____	_____	_____

Registered Owner:

Principal Amount: DOLLARS

The City of Carrollton (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Dallas, Denton, and Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount hereinabove stated [(or so much thereof as shall not have been paid upon prior redemption)], and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a Registration Date as of an interest payment date, in which case it shall bear interest from such date, or unless the Registration Date of this Bond is prior to the initial Interest Payment Date (as hereinafter defined), in which case it shall bear interest from the Delivery Date specified above) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____ and _____ in each year, commencing _____ (each an "Interest Payment Date"), until maturity [or prior redemption]. Principal of this Bond is payable at its Stated Maturity [or redemption] to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor[; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond]. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the _____ day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking

institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of $_____ (herein referred to as the "Bonds") for the purposes of providing funds:

(1) for permanent public improvements and public purposes, to wit:

[*applicable purposes from Section 2 of the Ordinance to be inserted from Pricing Certificate*], and

(2) to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1331 and 1371, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds due Redemption Date	Principal Amount	Term Bonds due Redemption Date	Principal Amount
*		*	

* Stated Maturity.

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date,

(1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or

(2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

[The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States mail, first class postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar. Any notice given shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance, if any, have been met and moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for redemption or that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice. If such prerequisites to the redemption are not satisfied, sufficient moneys are not received or notice is rescinded, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.]

[The Bonds are not subject to redemption prior to maturity.]

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity [or redemption], and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register:

(1) on the Record Date as the owner entitled to payment of interest hereon,

(2) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity[, or its redemption, in whole or in part], and

(3) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

In the event of nonpayment of interest on a Bond on a scheduled payment date and for at least thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Bond appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented, and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the

Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforestated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City.

CITY OF CARROLLTON, TEXAS

_____
Mayor

COUNTERSIGNED:

_____
City Secretary

(SEAL)

(b) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	(	
OF PUBLIC ACCOUNTS	(	
	(	REGISTER NO. _____
THE STATE OF TEXAS	(	

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

(SEAL)

_____
Acting Comptroller of Public Accounts
of the State of Texas

(c) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in _____ is the Designated Payment/Transfer Office for this Bond.

_____,
as Paying Agent/Registrar

Registration Date:

_____

By:_____
Authorized Signature

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____
_____
_____
(Social Security or other identifying number: _____
_____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____
_____
attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed:

_____

_____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(e) The Initial Bonds shall be in the form set forth in (a), (b) and (d) above, except a single Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1 $_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF CARROLLTON
GENERAL OBLIGATION BOND, SERIES 2026

Bond Date: _____

Registered Owner:

Principal Amount: DOLLARS

The City of Carrollton (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Dallas, Denton, and Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on _____ in the years and in principal installments in accordance with the following schedule:

Stated Maturity	Principal Installment ($)	Interest Rate (%)

(Information to be inserted from Pricing Certificate).

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____ and _____ in each year, commencing _____ (each, an "Interest Payment Date"), until maturity [or prior redemption]. Principal installments of this Bond are payable in the year of maturity [or on a redemption date] to the registered owner hereof by _____ (the "Paying Agent/Registrar"), upon

presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the _____ day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

EXHIBIT B
FORM OF PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of [_____], 2026 (this "Agreement"), by and between _____, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the City of Carrollton, Texas (the "Issuer"),

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Carrollton, Texas General Obligation Bonds, SERIES 2026" (the "Securities"), dated [_____], 2026, such Securities scheduled to be delivered to the initial purchasers thereof on or about [_____], 2026; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer, and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE 1.
APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE 2.
DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"*Acceleration Date*" on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"*Authorizing Document*" means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

"*Bank Office*" means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"*Holder*" and "*Security Holder*" each means the Person in whose name a Security is registered in the Security Register.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government, or any agency or political subdivision of a government.

"*Predecessor Securities*" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"*Redemption Date*", when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"*Responsible Officer*", when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank

customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Security Register*" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

"*Stated Maturity*" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement. The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE 3.
PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date, or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

_____
_____
_____

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished by:

(a) the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register, or

(b) such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE 4.
REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange, and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges, and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer, or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer, and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security

Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an over-issuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost, or stolen Security, only upon the approval of the Issuer and after:

(a) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof, and

(b) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless.

All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost, or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE 5.
THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor, or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor, or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three (3) years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the state and county where the administrative office of

the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE 6.
MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (1) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (2) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay, or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 Statutory Verifications. The Bank makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Bank within the meaning of Securities and Exchange Commission Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section

2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

Section 6.13 Abortion Prohibition. Texas Government Code Section 2273.003 prohibits certain transactions between a governmental entity and an abortion provider or affiliate of the provider. The Bank represents and warrants to the Issuer that it is not an abortion provider or affiliate of the provider.

Section 6.14. Exemption From Section 2252.908, Texas Government Code. The Bank hereby warrants and represents to the Issuer that it is a publicly traded business entity or a wholly owned subsidiary of such a business entity.

Section 6.15 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

_____

By:_____

Title:_____
Address: _____
_____

CITY OF CARROLLTON, TEXAS

By: _____
_____ and Pricing Officer

Address: 1945 E. Jackson Road
Carrollton, Texas 75006

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Ordinances

Agenda Number: *16.

City Council Meeting Date: April 21, 2026

Date: April 3, 2026

To: Erin Rinehart, City Manager

From: Diana K. Vaughn, CFO
Chrystal Davis, Assistant City Manager

Consider An **Ordinance of the City Council of the City of Carrollton, Texas, Authorizing the Issuance of "City of Carrollton, Texas, Waterworks and Sewer System Revenue Bonds, Series 2026"; Pledging the Net Revenues of the City's Combined Waterworks and Sewer System to the Payment of the Principal of and Interest on Said Bonds; and Resolving Other Matters Incident and Related to the Issuance, Sale, Payment, and Delivery of Said Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; and Delegating Matters Relating to the Sale and Issuance of the Bonds to Authorized City Representatives.**

Background:
The City plans to issue Waterworks and Sewer System Revenue Bonds, Series 2026 (the "Bonds") the week of May 18th via competitive sale. The Bonds will be issued to finance approximately $10,000,000 of water and sewer improvements and pay estimated costs of issuance of approximately $200,000. The ordinance authorizes the sale of up to $10,750,00 in bonds depending on market conditions.

Financial Implications:
The Bonds are payable from and secured by a first lien on and pledge of the Net Revenues of the City's Waterworks and Sewer System. The Bonds will be issued on a tax-exempt basis making them subject to federal arbitrage laws. All issuance costs will be paid from the Bond proceeds.

Impact on Community Sustainability:
This bond issuance supports and aligns with the City Council's goals and objectives to properly manage infrastructure with fiduciary care and improves the City's financial position and sustainability.

Staff Recommendation/Action Desired:

Consider An Ordinance of the City Council of the City of Carrollton, Texas, Authorizing the Issuance of "City of Carrollton, Texas, Waterworks and Sewer System Revenue Bonds, Series 2026"; Pledging the Net Revenues of the City's Combined Waterworks and Sewer System to the Payment of the Principal of and Interest on Said Bonds; and Resolving Other Matters Incident and Related to the Issuance, Sale, Payment, and Delivery of Said Bonds; Establishing Procedures for the Sale and Delivery of the Bonds; and Delegating Matters Relating to the Sale and Issuance of the Bonds to Authorized City Representatives.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF CARROLLTON, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2026"; PLEDGING THE NET REVENUES OF THE CITY'S COMBINED WATERWORKS AND SEWER SYSTEM TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, PAYMENT, AND DELIVERY OF SAID BONDS; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF THE BONDS; AND DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF THE BONDS TO AUTHORIZED CITY REPRESENTATIVES.

WHEREAS, the City Council of the City of Carrollton, Texas (the "City") hereby finds and determines that revenue bonds in the maximum principal amount hereinafter set forth for improvements and extensions to the City's combined Waterworks and Sewer System (the "System") should be issued and sold at this time in accordance with the provisions of Texas Government Code, Chapter 1502, as amended ("Chapter 1502"); and

WHEREAS, pursuant to Section 1371.001(4)(A), Texas Government Code, the City is an "Issuer" within the meaning of Chapter 1371, Texas Government Code ("Chapter 1371"), as amended, and the City shall by this Ordinance, in accordance with the provisions of Chapter 1371, delegate to a Pricing Officer (hereinafter defined) the authority to determine the principal amount of Bonds (hereinafter defined) to be issued and negotiate the terms of sale thereof to be included in one or more pricing certificates (each a "Pricing Certificate") to be executed by the Pricing Officer; and

WHEREAS, the City Council hereby further finds and determines that such revenue bonds can and should be issued on a parity with the City's outstanding revenue bonds (hereinafter defined and identified as "Previously Issued Bonds") payable from and equally secured by a first lien on and pledge of the Net Revenues (hereinafter defined) of the System;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CARROLLTON, THAT:

SECTION 1

All of the above premises are found to be true and correct legislative and factual findings of the City Council, and they are hereby approved, ratified, and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2

Authorization - Series Designation - Principal Amount - Purpose - Bond Date. Revenue bonds of the City shall be and are hereby authorized to be issued, from time to time, in one or more series in the aggregate principal amount set forth in the Pricing Certificate to be designated and bear the title "CITY OF CARROLLTON, TEXAS WATERWORKS AND SEWER SYSTEM

REVENUE BONDS, SERIES 2026" or such other designation as specified in the Pricing Certificate (herein referred to as the "Bonds"), for the costs of acquiring, purchasing, constructing, improving, renovating, enlarging, and equipping the System and to pay the costs and expenses of issuance, in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Chapter 1371 and Chapter 1502. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate.

SECTION 3

Fully Registered Obligations - Terms. The Bonds shall be issued as fully registered obligations, without coupons, and the Bonds (other than the Initial Bond(s) referenced in Section 9 hereof) shall be in denominations of $5,000 or any integral multiple (within a Stated Maturity (hereinafter defined) thereof, shall be lettered "R" and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

SECTION 4

Delegation of Authority to Pricing Officer.

(a) As authorized by Chapter 1371, the City's Chief Financial Officer or City Treasurer (either, a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds, from time to time, and carrying out the other procedures specified in this Ordinance, including whether the Bonds shall be issued in one or more series, and determining the terms, conditions and other provisions of the Bonds, including the aggregate principal amount of the Bonds, the date of each series of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the interest payment dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity, including any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, designation of a paying agent/registrar (the "Paying Agent/Registrar"), the terms of any bond insurance applicable to the Bonds, and all other matters relating to the issuance, sale, and delivery of the Bonds, including any modification of the defeasance provisions contained in Section 14 hereof, the continuing disclosure undertaking contained in Section 47 hereof, all of which shall be specified in the Pricing Certificate, provided that the Bonds to be issued, prior to delivery, must have been rated by a

nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations and:

(1) the aggregate original principal amount of the Bonds shall not exceed $10,750,000;

(2) the true interest cost rate for the Bonds shall not exceed 6.00%; and

(3) the maximum maturity for the Bonds shall not exceed May 1, 2046.

(b) The delegation made hereby shall expire if not exercised by the Pricing Officer within 180 days of the date hereof (the "Expiration Date"). Bonds sold pursuant to a Purchase Contract (hereinafter defined) executed on or before the Expiration Date may be delivered after such date. The Pricing Officer may exercise such delegation on more than one occasion during such time period. Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

The Pricing Certificate is hereby incorporated into and made a part of this Ordinance. Any finding, determination, or election made by a Pricing Officer relating to the issuance and sale of the Bonds and the execution of the Pricing Certificate and the Purchase Contract in connection therewith shall have the same force and effect as a finding, determination, or election made by the City Council.

To the extent that any of the terms and conditions or other matters determined by a Pricing Officer pursuant to the authority conferred by this Ordinance require or necessitate a change or modification in the text or form of this Ordinance to conform to such terms and conditions or other matters, the Pricing Officer is authorized to effect such change or modification.

SECTION 5

Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange, and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially

in the form attached hereto as **Exhibit B** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices provided in the Pricing Certificate (the "Designated Payment/Transfer Office"); provided, however, while a Bond is registered to Cede & Co., the payment thereof upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest due on the Bonds shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the "Record Date" (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (1) by check dated as of the interest payment date, sent United States mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (2) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a non-payment of interest on one or more maturities of the Bonds on a scheduled payment date, and for at least thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such past due interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of the Bonds appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 6

Registration - Transfer - Exchange of Bonds - Predecessor Bonds. A Security Register relating to the registration, payment, and transfer or exchange of the Bonds shall at all times be kept and maintained by the City at the Designated Payment/Transfer Office of the Paying Agent/Registrar, as provided herein and in accordance with the provisions of the Paying

Agent/Registrar Agreement and such rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bond(s) authorized in Section 9 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond(s) authorized in Section 9 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the City, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered, and delivered in lieu thereof pursuant to the provisions of Section 31 hereof, and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 7

Book-Entry-Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 6 and 7 hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company ("DTC"), a limited purpose trust company organized under the laws of the State of New York, in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representation from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred, and exchanged on the Security Register maintained by the Paying Agent/Registrar, and payment of such Bonds shall be made in accordance with the provisions of Sections 6 and 7 hereof.

SECTION 8

Execution - Registration. The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under the City's seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease

to hold such offices at the time of delivery of the Bonds to the Purchasers and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201, Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in **Exhibit A** hereto, executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in **Exhibit A** hereto, manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

SECTION 9

Initial Bond(s). The Bonds herein authorized shall be initially issued either:

(1) as a single fully registered bond in the aggregate principal amount of the Bonds with principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, or

(2) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the Purchasers or the designee thereof.

The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Purchasers. Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the Purchasers, or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts, and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 10

Forms of Bonds. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in **Exhibit A** hereto with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified with the information set forth in the Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform

Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer.

The Pricing Certificate(s) shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) shall be printed, lithographed, engraved, typewritten, photocopied, or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

SECTION 11

Definitions. For all purposes of this Ordinance and in particular for clarity with respect to the issuance of the Bonds herein authorized and the pledge and appropriation of revenues to the payment of the Bonds, the following definitions are provided:

"Additional Bonds" - Revenue bonds or other evidences of indebtedness which the City reserves the right to issue or enter into, as the case may be, in the future under the terms and conditions provided in Section 19 of this Ordinance and which, together with the Bonds and Previously Issued Bonds, are equally and ratably secured by a first lien on and pledge of the Net Revenues of the System.

"Average Annual Debt Service" - That average amount which, at the time of computation, will be required to pay the Debt Service of obligations when due and derived by dividing the total of such Debt Service by the number of years then remaining before final maturity. Capitalized interest payments provided from bond proceeds shall be excluded in making the aforementioned computation.

"Bonds Similarly Secured" - Collectively, the Previously Issued Bonds, the Bonds, and Additional Bonds.

"City" - The City of Carrollton located in the Counties of Dallas, Denton, and Collin, Texas.

"Debt Service" - As of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to maturity, the principal amounts thereof will be redeemed prior to maturity in accordance with the mandatory redemption provisions applicable thereto.

"Fiscal Year" - The twelve-month accounting period used by the City in connection with the operation of the System which may be any twelve (12) consecutive month period established by the City.

"Government Obligations" - Unless otherwise modified in the Pricing Certificate, the term "Government Obligations" shall mean (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"Gross Revenues" - All income, receipts, and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts created and established for the payment and security of the Bonds Similarly Secured and other obligations payable solely from and secured only by a lien on and pledge of the Net Revenues.

"Maintenance and Operating Expenses" - All current expenses of operating and maintaining the System, including all salaries, labor, materials, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised, are necessary to maintain the operations and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair obligations payable from Net Revenues shall be deducted in determining "Net Revenues". Depreciation charges shall not be considered Maintenance and Operating Expenses. Maintenance and Operating Expenses shall include payments under contracts for the purchase of water supply, treatment of sewage, or other materials, goods, or services for the System to the extent authorized by law and the provisions of such contract.

"Net Earnings" - The meaning assigned to such term in Section 19 hereof.

"Net Revenues" - Gross Revenues of the System, with respect to any period, after deducting the System's Maintenance and Operating Expenses during such period.

"Outstanding" - When used in this Ordinance with respect to Bonds or Bonds Similarly Secured means, as of the date of determination, all Bonds theretofore issued and delivered, except: (1) those Bonds or Bonds Similarly Secured cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation; those Bonds or Bonds Similarly Secured paid or deemed to be paid in accordance with the provisions of Section 29 hereof, or substantially similar provisions with respect to Bonds Similarly Secured; and those Bonds or Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 31 hereof or similar provisions with respect to Bonds Similarly Secured.

"Previously Issued Bonds" - The presently outstanding and unpaid revenue bonds payable from and secured by a first lien on and pledge of the Net Revenues of the System, more particularly described and identified as follows: City of Carrollton, Texas, Waterworks and Sewer System Revenue Bonds, Series 2019", dated May 1, 2019, originally issued in the principal amount of $9,045,000; and City of Carrollton, Texas, Waterworks and Sewer System Revenue Bonds, Series 2024", dated June 20, 2024, originally issued in the principal amount of $7,460,000.

"Required Reserve" - The amount required to be accumulated and maintained in the Reserve Fund under the provisions of Section 15.

"System" - All properties, facilities, and plants currently owned, operated, and maintained by the City for the supply, treatment and transmission of treated potable water and the collection, treatment, and disposal of water-carried wastes, together with all future extensions, improvements, replacements, and additions thereto; provided, however, that notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term "System" shall not mean to include facilities of any kind which are declared not to be a part of the System and which are acquired or constructed by or on behalf of the City with the proceeds from the issuance of "Special Facilities Bonds", which are hereby defined as being special revenue obligations of the City which are not Bonds Similarly Secured but which are payable from and secured by other liens on and pledges of any revenues, sources or payments, not pledged to the payment of the Bonds Similarly Secured including, but not limited to, special contract revenues or payments received from any other legal entity in connection with such facilities.

SECTION 12

Pledge. The City hereby covenants and agrees that the Net Revenues of the System, with the exception of those in excess of the amounts required for the payment and security of the Bonds Similarly Secured, are hereby irrevocably pledged, to the payment and security of the Previously Issued Bonds, the Bonds, and Additional Bonds, if issued, including the establishment and maintenance of the special funds created and established for the payment and security thereof, all as hereinafter provided, and it is hereby ordained that the Bonds Similarly Secured, and the interest thereon, shall constitute a first lien on the Net Revenues of the System in accordance with the terms and provisions hereof and be valid and binding and fully perfected from and after the date

of adoption of this Ordinance without physical delivery or transfer or transfer of control of the Net Revenues, the filing of this Ordinance or any other act; all as provided in Texas Government Code, Chapter 1208, as amended.

Texas Government Code, Chapter 1208, as amended, applies to the issuance of the Bonds and the pledge of the Net Revenues of the System granted by the City under this Section 12, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Net Revenues of the System granted by the City under this Section 12 is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 13

Water and Sewer System Fund. The City hereby covenants and agrees that Gross Revenues of the System (excluding earnings and income derived from investments held in the Bond Fund and Reserve Fund) shall be, as collected, deposited into the "Water and Sewer System Fund" (herein called the "System Fund"), which has been created and established on the books of the City, and moneys deposited to the credit of such Fund shall be in an account or fund maintained at an official depository of the City. All revenues deposited in the System Fund shall be pledged and appropriated to the extent required for the following uses and in the order of priority shown.

FIRST: To the payment of all necessary and reasonable Maintenance and Operating Expenses as defined herein or required by statute to be a first charge on and claim against the Gross Revenues thereof.

SECOND: To the payment of the amounts required to be deposited in the Bond Fund established and maintained for the payment of Debt Service on the Bonds Similarly Secured as the same becomes due and payable.

THIRD: To the payment of the amounts required to be deposited in the Reserve Fund to accumulate and maintain therein the Required Reserve in accordance with the provisions of this Ordinance or any other ordinance relating to issuance of Bonds Similarly Secured.

Any Net Revenues remaining in the System Fund after satisfying the foregoing payments or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other City purpose now or hereafter permitted by law.

SECTION 14

Bond Fund. For purposes of providing funds to pay the principal of and interest on the Bonds Similarly Secured as the same becomes due and payable, the City has created and established on the books of the City the "City of Carrollton Interest and Sinking Revenue Bond

Fund" (the "Bond Fund"), and all moneys deposited to the credit of such Fund shall be in an account or fund maintained at an official depository of the City. In addition to the deposits to the Bond Fund for the payment of the Previously Issued Bonds, the City covenants that there shall be deposited into the Bond Fund prior to each principal and interest payment date for the Bonds from the Net Revenues an amount equal to one hundred per centum (100%) of the amount required to fully pay the interest on and the principal of the Bonds then falling due and payable, such deposits to pay maturing principal and accrued interest on the Bonds to be made in substantially equal monthly installments on or before the 20th day of each month, beginning on or before the 20th day of the month next following the delivery of the Bonds to the Purchasers.

The required monthly deposits to the Bond Fund for the payment of principal of and interest on the Bonds shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Bond Fund and Reserve Fund is equal to the amount required to fully pay and discharge the principal of and interest on all Bonds Similarly Secured to the respective final maturity or redemption dates, as the case may be, therefor or (ii) the Bonds are no longer Outstanding.

Accrued interest and premium, if any, received from the Purchasers of the Bonds, as well as excess original proceeds of sale of the Bonds, if any, and earnings derived from the investment of moneys in the Bond Fund, shall be taken into consideration and reduce the amount of the monthly deposits hereinabove required to be deposited in the Bond Fund from the Net Revenues of the System.

SECTION 15

Reserve Fund. For purposes of accumulating and maintaining funds as a reserve for the payment of the Bonds Similarly Secured, the City has created and established on the books of the City the "City of Carrollton Revenue Bond Reserve Fund" (the "Reserve Fund"), which shall be in an account or fund maintained at an official depository of the City and all moneys deposited therein (excluding earnings and income derived or received from deposits or investments which may be transferred to the System Fund referred to in Section 13 hereof during such periods as there is on deposit in the Reserve Fund the Required Reserve) shall be used solely for the payment of the principal of and interest on the Bonds Similarly Secured when and to the extent other funds available for such purposes are insufficient, and, in addition, may be used to retire the last of the Bonds Similarly Secured Outstanding.

In accordance with the provisions of the ordinances authorizing the issuance of the Previously Issued Bonds, the amount currently on deposit to the credit of the Reserve Fund will be stated in the Pricing Certificate (the "Current Reserve"). By reason of the issuance of the Bonds, the total amount required to be accumulated and maintained in said Fund is hereby determined to be as specified in the Pricing Certificate (the "Required Reserve"), which amount is hereby found to equal or exceed the Average Annual Debt Service for the Bonds and the Previously Issued Bonds (calculated on a Fiscal Year basis as of the date the Bonds are to be delivered). If required, the difference between the Required Reserve and the Current Reserve will be accumulated by a deposit in the Reserve Fund of all or any part thereof in cash immediately after the delivery of the Bonds, or, at the option of the City, by the deposit of monthly installments, made on or before the

20th day of each month following the month of delivery of the Bonds, of not less than 1/60th of the additional amount to be maintained in the Reserve Fund by reason of the issuance of the Bonds.

As and when Additional Bonds are delivered or incurred, the Required Reserve shall be increased, if required, to an amount equal to not less than the Average Annual Debt Service (calculated on a Fiscal Year basis) for all Bonds Similarly Secured then Outstanding, as determined on the date each series of Bonds Similarly Secured are delivered or incurred, as the case may be. Any additional amount required to be maintained in the Reserve Fund shall be so accumulated by the deposit in the Reserve Fund of all or any part thereof in cash immediately after the delivery of the then proposed Additional Bonds, or, at the option of the City, by the deposit of monthly installments, made on or before the 20th day of each month following the month of delivery of the then proposed Additional Bonds, of not less than 1/60th of the additional amount to be maintained in said Fund by reason of the issuance of the Additional Bonds then being issued (or 1/60th of the balance of the additional amount not deposited immediately in cash).

Notwithstanding the above and foregoing, at such time as the Previously Issued Bonds are no longer Outstanding, the Average Annual Debt Service shall also be calculated at the end of each Fiscal Year and the Required Reserve shall be adjusted accordingly.

When and so long as the cash and investments in the Reserve Fund total not less than the Required Reserve, no deposits need be made to the credit of the Reserve Fund; but, if and when the Reserve Fund at any time contains less than the Required Reserve (other than as the result of the issuance of Additional Bonds as provided herein), the City covenants and agrees to cure the deficiency in the Required Reserve by resuming monthly deposits to said Fund from the Net Revenues of the System; such monthly deposits to be in amounts equal to not less than 1/60th of the then total Required Reserve to be maintained in said Fund and to be made on or before the 20th day of each month until the total Required Reserve then to be maintained in said Fund has been fully restored. The City further covenants and agrees that, subject only to the payments to be made to the Bond Fund, the Net Revenues shall be applied and appropriated and used to establish and maintain the Required Reserve and to cure any deficiency in such amounts as required by the terms of this Ordinance and any other ordinance pertaining to the issuance of Bonds Similarly Secured.

During such time as the Reserve Fund contains the total Required Reserve, the City may, at its option, withdraw all surplus in the Reserve Fund in excess of the Required Reserve and deposit such surplus in the System Fund. The City hereby designates its depository bank or banks as the custodian of the Reserve Fund.

SECTION 16

Deficiencies; Excess Net Revenues.

(a) If on any occasion there shall not be sufficient Net Revenues of the System to make the required deposits into the Bond Fund and the Reserve Fund, then such deficiency shall be cured as soon as possible from the next available Net Revenues of the System, or from any other sources available for such purpose.

(b) Subject to making the required deposits to the Bond Fund and the Reserve Fund when and as required by this Ordinance, or any ordinance authorizing the issuance of Bonds Similarly Secured, the excess Net Revenues may be used by the City for any lawful purpose.

SECTION 17

Transfers for Payment of Bonds. While any of the Bonds are Outstanding, the City's Chief Financial Officer or Treasurer shall cause to be transferred to the Paying Agent/Registrar, from funds on deposit in the Bond Fund, and, if necessary, in the Reserve Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the business day next preceding the date of payment for the Bonds.

SECTION 18

Investments – Securities of Funds.

(a) Money in any Fund required to be maintained in accordance with provisions of this Ordinance may, at the option of the City, be placed in time deposits or certificates of deposit secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or may, at the option of the City, be invested in such manner and in such obligations as now and hereafter authorized by the laws of the State of Texas, including the Public Funds Investment Act of 1987, and in making such investments exercising a standard of care emphasizing safety of capital as well as probable income, but without speculation. Such investments (except State and Local Government Series investments held in book entry form, which shall at all times be valued at cost) shall be valued in terms of current market value within 45 days of the close of each Fiscal Year and, with respect to investments held for the account of the Reserve Fund, within 30 days of the date of passage of each ordinance authorizing the issuance of Additional Bonds. All interest and income derived from deposits and investments in the Bond Fund immediately shall be credited to, and any losses debited to, the Bond Fund. All interest and interest income derived from deposits in, and investments of, the Reserve Fund shall, subject to the limitations provided in Section 15 hereof, be credited to and deposited in the System Fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds Similarly Secured.

(b) Money in all Funds referenced in this Ordinance, to the extent not invested, shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds.

SECTION 19

Issuance of Additional Obligations. Subject to the provisions hereinafter appearing as to conditions precedent which must be satisfied, the City reserves the right to issue, from time to time as needed, Additional Bonds for any lawful purpose. Such Additional Bonds may be issued in such form and manner as now or hereafter authorized by the laws of the State of Texas for the issuance

of evidences of indebtedness or other instruments, and should new methods or financing techniques be developed that differ from those now available and in normal use, the City reserves the right to employ the same in its financing arrangements provided only that the following conditions precedent for the authorization and issuance of the same are satisfied, to wit:

(1) The Chief Financial Officer of the City (or other officer of the City then having the primary responsibility for the financial affairs of the City) shall have executed a certificate stating (a) that, to the best of his or her knowledge and belief, the City is not then in default as to any covenant, obligation, or agreement contained in any ordinance or other proceeding relating to any obligations of the City payable from and secured by a lien on and pledge of the Net Revenues of the System that would materially affect the security or payment of such obligations and (b) either (i) payments into all special funds or accounts created and established for the payment and security of all outstanding obligations payable from and secured by a lien on and pledge of the Net Revenues of the System have been made and that the amounts on deposit in such special funds or accounts are the amounts then required to be on deposit therein or (ii) the application of the proceeds of sale of such obligations then being issued will cure any such deficiency.

(2) The Additional Bonds shall be scheduled to mature or be payable as to principal on May 1 or November 1 (or both) in each year the same are to be outstanding or during the term thereof.

(3) The City has secured a certificate or opinion of a Certified Public Accountant to the effect that, according to the books and records of the City, the Net Earnings, for the last completed Fiscal Year, or for 12 consecutive months out of the 15 months immediately preceding the month the ordinance authorizing the issuance of the Additional Bonds is adopted, are at least equal to (i) 1.25 times the Average Annual Debt Service for all Bonds Similarly Secured to be Outstanding after giving effect to the issuance of the Additional Bonds then being issued and (ii) 1.10 times the maximum annual Debt Service payments to be paid in a Fiscal Year for the Bonds Similarly Secured to be Outstanding after giving effect to the issuance of the Additional Bonds then being issued. In making a determination of the Net Earnings, the Accountant may take into consideration a change in the rates and charges for services and facilities afforded by the System that became effective at least sixty (60) days prior to the last day of the period for which Net Earnings are determined and, for purposes of satisfying the above Net Earnings test, make a pro forma determination of the Net Earnings of the System for the period of time covered by his certification or opinion based on such change in rates and charges being in effect for the entire period covered by the Accountant's certificate or opinion.

As used in this Section, the term "Net Earnings" shall mean the Gross Revenues of the System after deducting the Maintenance and Operating Expenses of the System, but not depreciation charges or other expenditures which, under generally accepted accounting principles, are treated as capital expenditures.

SECTION 20

Refunding Bonds. The City reserves the right to issue refunding bonds to refund all or any part of the Bonds Similarly Secured (pursuant to any law then available) upon such terms and conditions as the City Council of the City may deem to be in the best interest of the City and its inhabitants, and if less than all such Bonds Similarly Secured then outstanding are refunded, the conditions precedent prescribed (for the issuance of Additional Bonds) set forth in subparagraph (3) of Section 19 hereof shall be satisfied and the Accountant's certificate or opinion required in subparagraph (3) shall give effect to the Debt Service of the proposed refunding bonds (and shall not give effect to the Debt Service of the Bonds Similarly Secured being refunded following their cancellation or provision being made for their payment).

SECTION 21

Obligations of Inferior Lien and Pledge. The City hereby reserves the right to issue obligations payable from and secured by a lien on and pledge of the Net Revenues of the System, junior and subordinate in rank and dignity to the lien and pledge securing the payment of the Bonds Similarly Secured, as may be authorized by the laws of the State of Texas.

SECTION 22

Rates and Charges. For the benefit of the Holders of the Bonds and in addition to all provisions and covenants in the laws of the State of Texas and in this Ordinance, the City hereby expressly stipulates and agrees, while any of the Bonds are Outstanding, to establish and maintain rates and charges for facilities and services afforded by the System that are reasonably expected, on the basis of available information and experience and with due allowance for contingencies, to produce Gross Revenues in each Fiscal Year sufficient:

(1) To pay Maintenance and Operating Expenses, depreciation charges, and replacement and betterment costs,

(2) To produce Net Revenues sufficient to pay the principal of and interest on the Bonds Similarly Secured and the amounts required to be deposited in any reserve or contingency fund created for the payment and security of the Bonds Similarly Secured, and other obligations or evidences of indebtedness issued or incurred that are payable only from and secured solely by a lien on and pledge of the Net Revenues of the System, and

(3) To produce Net Revenues equal to at least 1.20 times the Average Annual Debt Service for the Bonds Similarly Secured then Outstanding.

SECTION 23

Maintenance and Operation Insurance. The City shall maintain the System in good condition and operate the System in an efficient manner and at reasonable cost. While any Bonds are Outstanding, the City agrees to maintain casualty and other insurance on the System of a kind and in an amount customarily carried by municipal corporations owning and operating similar

properties. Nothing in this Ordinance shall be construed as requiring the City to expend any funds derived from sources other than the operation of the System, but nothing herein shall be construed as preventing the City from doing so.

SECTION 24

Sale or Lease of Properties. The City, to the extent and in the manner authorized by law, may sell or exchange for consideration representing the fair value thereof, as determined by the City Council of the City, any property not necessary or required in the efficient operations of the System, or any equipment not necessary or useful in the operations thereof or which is obsolete, damaged or worn out or otherwise unsuitable for use in the operation of the System. The proceeds of any sale of properties of the System shall be deposited in the System Fund.

SECTION 25

Records and Accounts. The City hereby covenants and agrees that so long as any of the Bonds or any interest thereon remain Outstanding, it will keep and maintain separate and complete records and accounts pertaining to the operations of the System in which complete and correct entries shall be made of all transactions relating thereto, as provided by Chapter 1502 or other applicable law. The Holder of any Bonds or any duly authorized agent or agents of such Holders shall have the right at all reasonable times to inspect such records, accounts, and data relating thereto, and to inspect the System and all properties comprising same. The City further agrees that following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants. Each such audit, in addition to whatever other matters may be thought proper by the Accountant, shall particularly include the following:

(1) A statement of the income and expenses of the System for such Fiscal Year.

(2) A balance sheet for the System as of the end of such Fiscal Year.

(3) A statement describing the sources and application of funds of the System for such Fiscal Year.

(4) The Accountant's comments regarding the manner in which the City has carried out the requirements of this Ordinance and any other ordinance authorizing the issuance of Bonds Similarly Secured and his recommendations for any changes or improvements in the operations, records and accounts of the System.

(5) A list of insurance policies in force at the end of the Fiscal Year covering the properties of the System, setting out as to each policy the amount thereof, the risk covered, the name of the insurer and the policy's expiration date.

Expenses incurred in making an annual audit of the operations of the System are to be regarded as Maintenance and Operating Expenses. Copies of each annual audit shall be furnished to the Executive Director of the Municipal Advisory Council of Texas at his office in Austin,

Texas, and, upon request, to the initial purchasers of the Bonds and subsequent Holders of the Bonds. The audits herein required shall be made within 120 days following the close of each Fiscal Year insofar as is possible.

SECTION 26

Special Covenants. The City further covenants and agrees by and through this Ordinance as follows:

(1) It has the lawful power to pledge the Net Revenues of the System to the payment of the Bonds to the extent provided herein and has lawfully exercised said power under the Constitution and laws of the State of Texas, and that the Bonds issued hereunder, together with the Previously Issued Bonds and the Additional Bonds shall be ratably secured in such manner that no one bond shall have preference over any other bond of said issues.

(2) The Net Revenues of the System have not been in any manner pledged or encumbered to the payment of any debt or obligation of the City or the System, save and except for the Previously Issued Bonds and the Bonds.

(3) To the extent that it legally may, the City will not grant any franchise or permit the acquisition, construction, or operation of any competing facilities which might be used as a substitute for the facilities of the System, and the City will prohibit any such competing facilities.

(4) The City will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the System, and which have been obtained from any governmental agency; and the City has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the System.

SECTION 27

Remedy in Event of Default. In addition to all rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City (1) defaults in payments to be made to the Bond Fund or the Reserve Fund as required by this Ordinance or (2) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Holder of any of the Bonds shall be entitled to a writ of mandamus issued by a court of proper jurisdiction, compelling and requiring the City and its officers to observe and perform any covenant, condition or obligation prescribed in this Ordinance. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedy shall not be deemed to be exclusive.

SECTION 28

Special Obligations. The Bonds are special obligations of the City payable from the pledged Net Revenues of the System and the holders thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

SECTION 29

Defeasance. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of the Net Revenues of the System under this Ordinance and all other obligations of the City to the Holders shall thereupon cease, terminate, and become void and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when:

(1) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or

(2) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations have been certified by an independent accounting or consulting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof.

The City covenants that no deposit of moneys or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Obligations held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of

and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

The City reserves the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Government Obligations for the Government Obligations originally deposited, to reinvest the uninvested moneys on deposit for such defeasance, and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Bonds shall no longer be regarded to be Outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the City:

(1) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption;

(2) gives notice of the reservation of that right to the Holders of the Bonds immediately following the making of the firm banking and financial arrangements; and

(3) directs that notice of the reservation be included in any redemption notices that it authorizes.

SECTION 30

Ordinance a Contract - Amendments.

(a) This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section 47 hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein.

In addition, the City may, with the consent of the Holders of Bonds Similarly Secured aggregating in principal amount 51% of the aggregate principal amount of then Outstanding Bonds Similarly Secured, from time to time, approve any amendment to this Ordinance or the Pricing Certificate which may be deemed necessary or desirable by the City, provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Ordinance, the Pricing Certificate, or in the Bonds or Bonds Similarly Secured so as to:

(1) Make any change in the maturity of the Outstanding Bonds;

(2) Reduce the rate of interest borne by any of the Outstanding Bonds;

(3) Reduce the amount of the principal payable on the Outstanding Bonds;

(4) Modify the terms of payment of principal of or interest on the Outstanding Bonds;

(5) Affect the rights of the holders of less than all of the Bonds then Outstanding; or

(6) Change the minimum percentage of the principal amount of Bonds Similarly Secured necessary for consent to such amendment.

(b) If at any time the City shall desire to amend this Ordinance under this Section, the City shall cause notice of the proposed amendment (i) to be published in a financial newspaper or journal of general circulation in the City of New York, New York, and in a newspaper of general circulation in the City of Dallas, Texas, once during each calendar week for at least two successive calendar weeks and (ii) sent by United States mail, first class postage prepaid, to the Holders of Bonds at the address appearing in the Security Register. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the paying agents for inspection by all holders of Bonds Similarly Secured.

(c) Whenever at any time the City shall receive an instrument or instruments executed by the Holders of at least 51 % in aggregate principal amount of all Bonds Similarly Secured then Outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the paying agents, the City Council may pass an amendatory ordinance in substantially the same form.

(d) Upon the passage of any amendatory ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with such amendatory ordinance, and the respective rights, duties, and obligations under this Ordinance of the City and all the Holders of then Outstanding Bonds and all future Additional Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) Any consent given by the Holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six (6) months from the date of the first publication of the notice provided for in this Section or the date of such consent, whichever is later, and shall be conclusive and binding upon all future Holders of the same bond during such period. After the applicable period of time a consent is irrevocable has expired, the Holder who gave consent, or a successor in title, may revoke such consent by filing notice thereof with the Paying Agent/Registrar and the City, but such revocation shall not be effective if the Holders of 51% in aggregate principal amount of the then Outstanding Bonds Similarly Secured have, prior to the attempted revocation, consented to and approved the amendment.

(f) For the purpose of this Section, the fact of the holding of bonds by any Holder and the amount and numbers of such Bonds and the date of their holding same, may be proved by the Security Register maintained by the Paying Agent/Registrar or by affidavit of the person claiming to be such Holder, or by a certificate executed by any trust company, bank, banker, or any other depository wherever situated showing that at the date therein mentioned such person had on deposit with such trust company, bank, banker, or other depository, the Bonds described in such certificate. The City may conclusively assume that such ownership continues until written notice to the contrary is served upon the City.

SECTION 31

Mutilated – Destroyed - Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 32

Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the refunded bonds), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency,

department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the refunded bonds), unless either (i) such use is merely as a member (and, except possibly for the amount of use and any corresponding rate adjustment, is extended by the City on the same terms as to all other members) of the general public or (ii) such charge or payment consists of taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if:

(1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes;

(2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or

(3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures, and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures, and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to the United States from an appropriate fund, or if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals:

(A) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and

(B) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date.

In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

(k) Bonds Not Hedge Bonds. The City reasonably expects (1) to spend at least 85% of the spendable proceeds of the Bonds within three years after such Bonds are issued, and (2) not more than 50% of the proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

SECTION 33

Sale of Bonds – Official Statement. The Bonds may be sold to the Purchasers pursuant to a bond purchase agreement in the event of a negotiated sale, a letter agreement, or purchase letter in the event of a private placement, or the terms of a notice of sale and successful bid in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract shall be determined by the Pricing Officer in accordance with Section 4 hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of the City Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final and incontestible.

With regard to the terms and provisions of said Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

(1) The terms, provisions and other details of the Bonds, including matters related to the offering and sale of the Bonds by the Purchaser;

(2) Matters related to an Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's agreement to provide information in accordance with the Rule (defined herein), if applicable;

(3) A security or good faith deposit for the Bonds, if any;

(4) Such other terms, conditions, representations and provisions as the Pricing Officer determines to be necessary and advisable.

The Mayor and City Secretary of the City are further authorized and directed to manually or electronically execute and deliver for and on behalf of the City copies of a Preliminary Official Statement and a final Official Statement, prepared in connection with the offering of the Bonds, and such Official Statement in the form and content approved and deemed final by the Pricing Officer shall be deemed to be approved by the City Council of the City and shall constitute the Official Statement authorized for distribution and use by the Purchasers.

SECTION 34

Control and Custody of Bonds. The Mayor shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders, and records, including the definitive Bonds and the Initial Bond(s), pending the investigation and approval of the Initial Bond(s) by the Attorney General of the State of Texas, and the registration of the Initial Bond(s) to the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

Furthermore, the Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, City Treasurer, and City Secretary of the City, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents and certifications relating to the City and the issuance of the Bonds, including a certification as to facts, estimates, circumstances, and reasonable expectations pertaining to the use, expenditure, and investment of the proceeds of the Bonds, as may be necessary for the issuance of the Bonds, the approval of the Attorney General, the registration by the Comptroller of Public Accounts, and the delivery of the Bonds to the Purchasers and, together with the City's financial advisor, bond counsel, and the Paying Agent/Registrar, make the necessary arrangements for the delivery of the Initial Bond(s) to the Purchasers and the initial exchange thereof for definitive Bonds.

SECTION 35

Proceeds of Sale. Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance, amounts to pay municipal bond insurance premium, if any, any accrued interest received from the Purchasers of the Bonds and premium in the amount, if any, specified in the Pricing Certificate) shall be deposited in a construction fund to be maintained at a City depository. Pending expenditure for authorized projects and purposes, such proceeds of sale deposited to the construction fund may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Government Code, Section 2256.015, et seq, and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Bond Fund as shall be determined by the City Council. Any excess bond proceeds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Bond Fund. Accrued interest, if any, and premium in the amount specified in the Pricing Certificate received from the sale of the Bonds, if any, shall be deposited to the credit of the Bond Fund. Such proceeds of sale may be

invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Bond Fund as shall be determined by the Pricing Officer.

SECTION 36

Notices to Holders-Waiver. Wherever this Ordinance or the Pricing Certificate provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case in which notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance or the Pricing Certificate provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 37

Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 38

Bond Counsel Opinion. The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Bonds. In accordance with the City of Carrollton City Charter § 2.13, the City Attorney has engaged Orrick, Herrington & Sutcliffe LLP as the Bond Counsel, for the purposes of this Ordinance and the issuance of the Bonds.

SECTION 39

CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 40

Benefits of Ordinance. Nothing in this Ordinance or the Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

SECTION 41

Inconsistent Provisions. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the Pricing Certificate, are hereby repealed to the extent of such conflict, and the provisions of this Ordinance and the Pricing Certificate shall be and remain controlling as to the matters contained herein and therein.

SECTION 42

Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 43

Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 44

Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

SECTION 45

Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application

thereof to other circumstances shall nevertheless be valid, and the City Council of the City hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 46

Incorporation of Findings and Determinations. The findings and determinations of the City Council of the City contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 47

Continuing Disclosure Undertaking. The Pricing Officer is hereby authorized to determine whether a continuing disclosure undertaking is required in connection with the issuance of the Bonds. To the extent it is determined that an undertaking under the Rule is required, this Section 47 shall apply.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB:

(1) within six months after the end of each fiscal year of the City beginning in the year stated in the Pricing Certificate, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer and described in the Pricing Certificate, and

(2) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be:

(A) prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be

required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and

(B) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within twelve (12) months after any such fiscal year end, then the City shall file unaudited financial statements within such twelve-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than ten (10) business days after occurrence of the event:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of holders of the Bonds, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes (i) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City and (ii) the City intends the words used in the immediately preceding paragraphs (15) and (16) in this Section to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if:

(1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and

(2) either:

(A) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or

(B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds.

The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent underwriters of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) hereof an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 48

Municipal Bond Insurance. The Bonds may be sold with payment of all or any portion of the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

SECTION 49

Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, and City Secretary, are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Chief Financial Officer, City Treasurer, City Secretary, or Bond Counsel to the City are each hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including the Pricing Certificate:

(1) in order to cure any technical ambiguity, formal defect, or omission in the Ordinance or such other document; or

(2) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of the Ordinance, which determination shall be final.

In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 50

Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance 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 Ordinance, was given, all as required by Chapter 551 of the Government Code, as amended.

SECTION 51

Effective Date. This Ordinance shall take effect and be in full force immediately from and after its adoption on the date hereof in accordance with the provisions of Texas Government Code, Section 1201.028.

[*remainder of page left blank intentionally*]

DULY PASSED AND APPROVED by the City Council of the City of Carrollton, Texas, this 21st day of April, 2026.

CITY OF CARROLLTON, TEXAS

_____
Steve Babick, Mayor

ATTEST:

_____
Chloe Sawatzky, City Secretary

(City Seal)

APPROVED AS TO FORM:

_____
Meredith A. Ladd, City Attorney

APPROVED AS TO CONTENT:

_____
Diana K. Vaughn, CFO

EXHIBIT A
FORM OF BOND

(a) Form of Definitive Bond.

REGISTERED
NO. R-_____

PRINCIPAL AMOUNT
$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF CARROLLTON, TEXAS
WATERWORKS AND SEWER SYSTEM REVENUE BOND, SERIES 2026

Bond Date:	Interest Rate:	Stated Maturity:	CUSIP No.:	Delivery Date:
_____	____%	_____	_____	_____

Registered Owner:

Principal Amount: DOLLARS

The City of Carrollton (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Dallas, Denton, and Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, solely from the revenues hereinafter identified, on the Stated Maturity date specified above, the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a Registration Date as of an Interest Payment Date (as hereinafter defined), in which case it shall bear interest from such date, or unless the Registration Date of this Bond is prior to the initial Interest Payment Date, in which case it shall bear interest from the Delivery Date specified above) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on May 1 and November 1 in each year, commencing _____ (each an "Interest Payment Date"), until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the _____ day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a

legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of $[_____] (herein referred to as the "Bonds") for the purpose of providing funds for costs of acquiring, purchasing, constructing, improving, renovating, enlarging, and equipping the City's combined Waterworks and Sewer System and to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Texas Government Code, Chapters 1371 and 1502, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Bond Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds due Redemption Date	Principal Amount	Term Bonds due Redemption Date	Principal Amount
*		*	

* Stated Maturity.

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date,

(1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or

(2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Bonds maturing on and after _____, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of $5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on _____, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States mail, first class postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar. Any notice given as provided above shall be conclusively presumed to have been duly given, whether or not the bondholder receives such notice.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance, if any, have been met and moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are special obligations of the City, and, together with the outstanding Previously Issued Bonds (identified and defined in the Ordinance), are payable solely from and equally and ratably secured by a first lien on and pledge of the Net Revenues (as defined in the Ordinance) of the City's combined Waterworks and Sewer System (hereinafter referred to as the "System'). The Bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the City or the System, except with respect to the Net Revenues. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

Subject to satisfying the terms and conditions prescribed therefor, the City has reserved the right to issue additional revenue obligations payable from and equally and ratably secured by a parity lien on and pledge of the Net Revenues of the System, in the same manner and to the same extent as the Bonds.

Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Bonds; the properties constituting the System; the Net Revenues pledged to the payment of the principal of and interest on the Bonds; the nature and extent and manner of enforcement of the lien and pledge securing the payment of the Bonds; the terms and conditions for the issuance of additional revenue obligations; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which the liens, pledges, charges and covenants made therein may be discharged at or prior to the maturity or redemption of this Bond, and this Bond deemed to be no longer Outstanding thereunder; and for the other terms and provisions contained therein. Capitalized terms used herein have the same meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Bond appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and covenanted that the City is a duly organized and legally existing municipal corporation under and by virtue of the Constitution and laws of the

State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by a pledge of the Net Revenues of the System as aforestated. In case any provision in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City.

CITY OF CARROLLTON, TEXAS

_____
Mayor

COUNTERSIGNED:

_____
City Secretary

(SEAL)

(b) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	(	
OF PUBLIC ACCOUNTS	(	
	(	REGISTER NO. _____
THE STATE OF TEXAS	(	

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

(SEAL)

_____
Acting Comptroller of Public Accounts
of the State of Texas

(c) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered in the name of the Registered Owner shown above under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in _____ is the Designated Payment/Transfer Office for this Bond.

_____,
as Paying Agent/Registrar

Registration Date:

_____

By:_____
Authorized Signature

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____
_____
_____
(Social Security or other identifying number: _____
_____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____
_____

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature guaranteed:

_____

_____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(e) The Initial Bond(s) shall be in the form set forth in (a), (b) and (d) above, except a single Initial Bond shall be modified as follows:

Heading and paragraph one shall be amended to read as follows:

NO. T-1 $_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF CARROLLTON
WATERWORKS AND SEWER SYSTEM REVENUE BOND, SERIES 2026

Bond Date: _____

Registered Owner:

Principal Amount: DOLLARS

The City of Carrollton (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Dallas, Denton, and Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on _____ in the years and in principal installments in accordance with the following schedule:

Stated Maturity	Principal Amount ($)	Interest Rate (%)

(Information to be inserted from Pricing Certificate).

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay interest on the unpaid principal installments hereof from the _____ at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on May 1 and November 1 in each year, commencing _____ (each, an

"Interest Payment Date"), until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by _____ (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in _____ (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the _____ day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent United States mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

EXHIBIT B
FORM OF PAYING AGENT/REGISTRAR AGREEMENT

PAYING AGENT/REGISTRAR AGREEMENT

THIS AGREEMENT is entered into as of _____ __, 2026 (this "Agreement"), by and between _____, a banking association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the City of Carrollton, Texas (the "Issuer").

RECITALS

WHEREAS, the Issuer has duly authorized and provided for the issuance of its "City of Carrollton, Texas Waterworks and Sewer System Revenue Bonds, Series 2026" (the "Securities"), dated _____, 2026, such Securities scheduled to be delivered to the initial purchasers thereof on or about _____, 2026; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on said Securities and with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE 1.
APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

Section 1.01 Appointment. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

The Bank hereby accepts its appointment and agrees to serve as the Paying Agent and Registrar for the Securities.

Section 1.02 Compensation. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE 1.
DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"*Acceleration Date*" on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

"*Authorizing Document*" means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

"*Bank Office*" means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"*Holder*" and "*Security Holder*" each means the Person in whose name a Security is registered in the Security Register.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"*Predecessor Securities*" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Authorizing Document).

"*Redemption Date*", when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

"*Responsible Officer*", when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above

designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Security Register*" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

"*Stated Maturity*" means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

Section 2.02 Other Definitions. The terms "Bank," "Issuer," and "Securities (Security)" have the meanings assigned to them in the recital paragraphs of this Agreement. The term "Paying Agent/Registrar" refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE 3.
PAYING AGENT

Section 3.01 Duties of Paying Agent. As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date, or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

_____
_____
_____

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished by:

(a) the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or

(b) such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

ARTICLE 4.
REGISTRAR

Section 4.01 Security Register - Transfers and Exchanges. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "Security Register") for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

Section 4.02 Securities. The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

Section 4.03 Form of Security Register. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.04 List of Security Holders. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security

Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

Section 4.05 Return of Cancelled Securities. The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities. The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after:

(a) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof, and

(b) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless.

All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

Section 4.07 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE 5.
THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

Section 5.02 Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(g) The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum or letter as prepared by the Issuer, Issuer's financial advisor or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum or letter acknowledged by the Issuer, the Issuer's financial advisor or other agent as the final closing memorandum or letter. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

Section 5.03 Recitals of Issuer. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

Section 5.04 May Hold Securities. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization. A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

Section 5.06 Indemnification. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

Section 5.07 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either

a Federal or State District Court located in the state and county where the administrative office of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction in the State of Texas to determine the rights of any Person claiming any interest herein.

Section 5.08 DTC Services. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements", which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

ARTICLE 5.
MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Merger, Conversion, Consolidation, or Succession. Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

Section 6.08 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 6.09 Entire Agreement. This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

Section 6.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.11 Termination. This Agreement will terminate (1) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (2) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with the other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

Section 6.12 Statutory Verifications. The Bank makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Bank within the meaning of Securities and Exchange Commission Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on

a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

Section 6.13 Abortion Prohibition. Texas Government Code Section 2273.003 prohibits certain transactions between a governmental entity and an abortion provider or affiliate of the provider. The Bank represents and warrants to the Issuer that it is not an abortion provider or affiliate of the provider.

Section 6.14. Exemption From Section 2252.908, Texas Government Code. The Bank hereby warrants and represents to the Issuer that it is a publicly traded business entity or a wholly owned subsidiary of such a business entity.

Section 6.15 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

_____

By:_____

Title:_____
Address: _____
_____

CITY OF CARROLLTON, TEXAS

By: _____
Pricing Officer

Address: 1945 E. Jackson Road
Carrollton, Texas 75006

Agenda Date: 4/21/2026 **Version:** 1 **Status:** Consent Agenda

In Control: City Council **File Type:** Resolution

Agenda Number: *17.

City Council Meeting Date: April 21, 2026

Date: April 13, 2026

To: Erin Rinehart, City Manager

From: Jonathan Wheat, P.E., Director of Engineering
Shannon Hicks, P.E., Assistant City Manager

Consider A **Resolution Authorizing The City Manager To Negotiate And Execute Contract Amendment No. 1 With Magee Architects, L.P. For Additional Design Services For The City Hall Remodel Phase II Project, In An Amount Not To Exceed $43,275.00 For A Total Contract Amount Of $293,275.00.**

Background:
The City Council awarded a Professional Services Agreement contract on February 06, 2024, to Magee Architects, L.P. in the amount of $250,000.00. The scope of professional services includes design modifications to the lower level to improve the function and security of the IT Department, security enhancements to the first-floor lobby, security enhancements to Council Chambers, security enhancements to the service counters on the first level, and security enhancements to the loading dock.

The first part of the City Hall remodel phase II professional services for the lower level was completed in December 2024. As construction progressed on the lower level, and design services proceeded on the first and second level, and on the exterior, several changes were requested by department heads that would further enhance security while still maintaining exemplary services to our residents and city staff.

This Contract Amendment 01 in the amount of $43,275.00, will include the following professional design items:

- Additional design and construction coordination on the lower level
- Redesign of the reception area on the 1st floor lobby
- Additional design on the exterior to enhance safety for city staff at the breakroom

Financial Implications:
Magee Architects, L.P. has submitted a proposal to the City of Carrollton to cover the above-mentioned items in an amount not to exceed $43,275.00. The revised contract amount would be $293,275.00, a 17.3% increase from the original contract amount of $250,000.00. Funding is available from General Obligation bond funds

Impact on Community Sustainability:
This project will support the City Council's strategic objectives and vision of building a community that families and businesses want to call home by:

- Enhancing safety and security throughout City Hall through improved lobby configuration, upgraded service counters, and expanded safety measures for staff and visitors. (Hospitality)
- Improving customer experience and service delivery with redesigned reception areas and service counters that create clearer, more efficient, and more welcoming interactions. (Optimized)
- Strengthening operational reliability by updating work areas and incorporating design refinements that support a more functional and effective workspace. (Motivated)
- Supporting long-term fiscal stewardship by investing in purposeful upgrades to a key municipal facility, extending its useful life and aligning with long-term operational needs. (Economical)

Staff Recommendation/Action Desired:
Staff recommends City Council to authorize the City Manager to execute Contract Amendment No. 01 for additional design services on the City Hall Remodel Phase II Project in an amount of $43,275.00, increasing the total contract to an amount not to exceed $293,275.00.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE CONTRACT AMENDMENT NO. 01 WITH MAGEE ARCHITECTS, L.P. FOR ADDITIONAL DESIGN SERVICES ON THE CITY HALL REMODEL PHASE II PROJECT IN AN AMOUNT NOT OF $43,275.00, INCREASING THE TOTAL CONTRACT TO AN AMOUNT NOT TO EXCEED $293,275.00; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, THAT:

SECTION 1:

The City Manager is authorized to negotiate and execute a contract amendment with Magee Architects, L.P. for architectural and engineering services in an amount of $43,275.00, for a revised total contract amount not to exceed $293,275.00

SECTION 2:

The City Manager, or designee, is authorized to take those steps reasonable and necessary to comply with the intent of this Resolution.

SECTION 3:

This Resolution shall take effect immediately from and after its passage.

PASSED and APPROVED on this 21st day of April, 2026.

CITY OF CARROLLTON, TEXAS

By: _____
Steve Babick, Mayor

ATTEST:

_____
Chloe Sawatzky, City Secretary

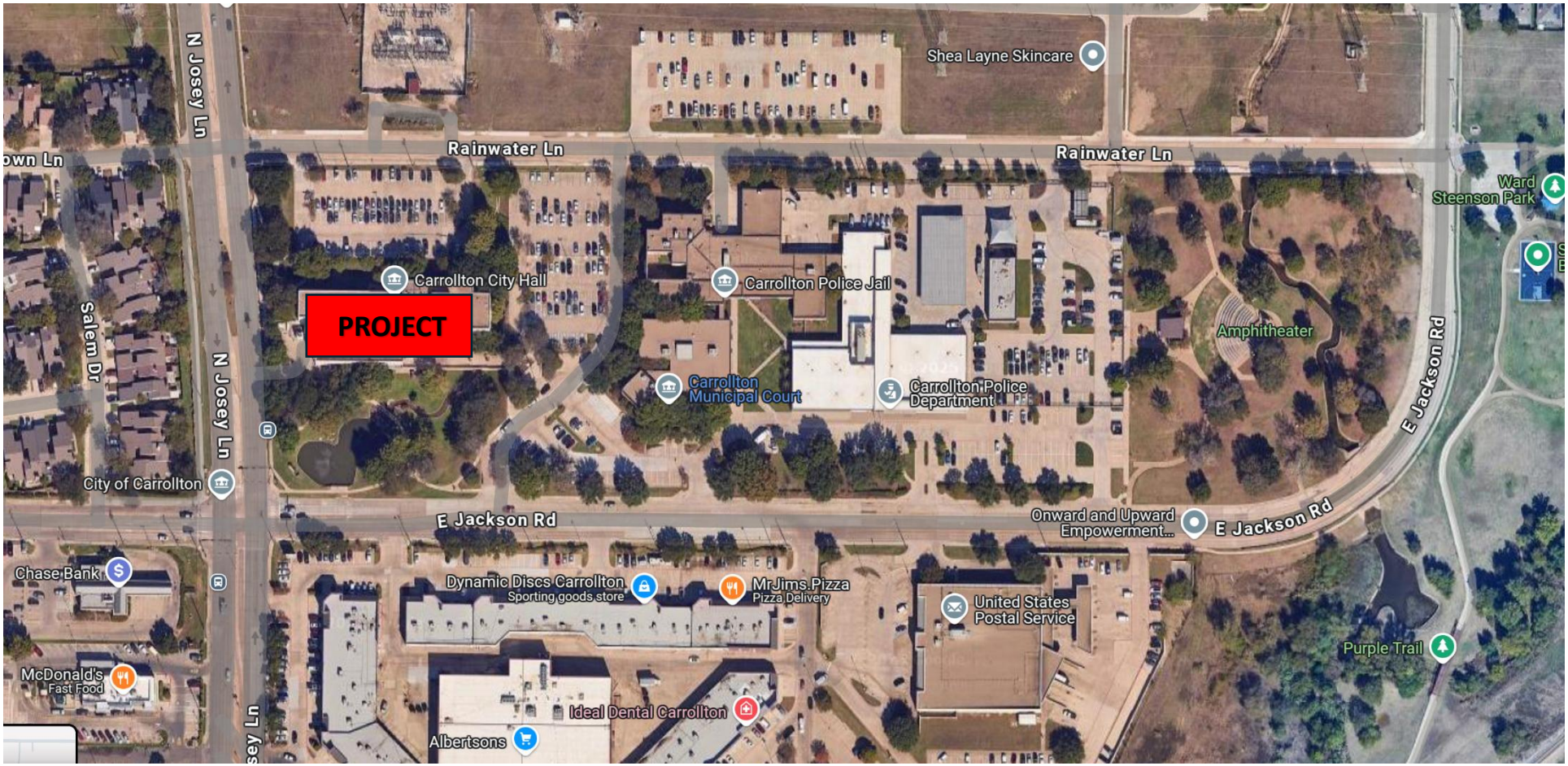
Approved as to form:

_____
Meredith A. Ladd, City Attorney

Approved as to content:

_____
Jonathan Wheat, P.E.,
Director of Engineering

LOCATION MAP



Agenda Date:

Version: 1

Status: Public Forum

In Control: City Council

File Type: Public Forum

Agenda Number: 18.

Public Forum is the opportunity for citizens/visitors to speak on items not listed on the posted meeting agenda. Citizens/visitors wishing to address the Council regarding items on the posted meeting agenda will have the opportunity to speak during the Citizen Comment.

Citizens/visitors should complete an appearance card located on the table at the entrance to the City Council Chambers. Speakers must address their comments to the presiding officer rather than to individual Council members or staff; Stand at the podium, speak clearly into the microphone and state your name and city of residence prior to beginning your remarks; Speakers will be allowed up to 3 minutes for testimony; Speakers making loud, abusive, personal, defamatory, impertinent, profane, threatening, or impertinent remarks may be removed from the room; Unauthorized remarks from the audience, stamping of feet, whistles, yells, booing, and similar demonstrations will not be permitted; No placards, banners, or signs will be permitted in the Chambers or in any other room in which the Council is meeting. Any person who does not comply with these provisions is subject to removal or forfeiting their right to attend a future meeting. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.