

ORDINANCE NO. 2012-028

AN ORDINANCE APPROVING THE CITY MANAGER TO EXECUTE A BOND COUNSEL AGREEMENT BETWEEN THE CITY OF DENTON AND MCCALL, PARKHURST & HORTON, LLP; APPROVING THE EXPENDITURE OF FUNDS THEREFOR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City has selected McCall, Parkhurst & Horton, LLP for the purpose of providing bond counsel services; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Council hereby approves the Bond Counsel Agreement, attached hereto, between the City of Denton and McCall, Parkhurst & Horton, LLP.

SECTION 2. The City Manager, or his designee, is authorized to make the expenditures as outlined in the attached Agreement and to exercise all rights and duties of the City of Denton under the Agreement.

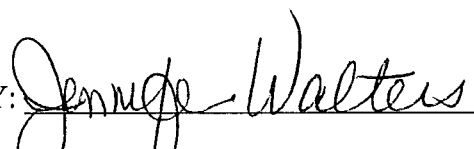
SECTION 3. This Ordinance shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this the 21st day of February, 2012.

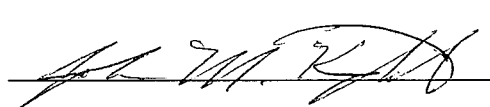


MARK A. BURROUGHS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY: _____

LAW OFFICES

McCALL, PARKHURST & HORTON L.L.P.

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1250 ONE AMERICAN CENTER
AUSTIN, TEXAS 78701-3248
Telephone: 512 478-3805
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717 NORTH HARWOOD
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700 N. ST. MARY'S STREET
1525 ONE RIVERWALK PLACE
SAN ANTONIO, TEXAS 78205-3503
Telephone: 210 225-2800
Facsimile: 210 225-2984

February 21, 2012

Mayor and Members of the City Council
City of Denton
215 E. McKinney Street
Denton, Texas 76201

Re: Engagement as Bond Counsel

Dear Mayor and Members of the City Council:

This letter is submitted to state our fees and describe the legal services of McCall, Parkhurst & Horton L.L.P. in performing the duties of Bond Counsel for the City with reference to the issuance of the City's bonds and other debt obligations (the "Bonds").

SCOPE OF ENGAGEMENT

Generally, we will perform all usual and necessary legal services as Bond Counsel in connection with the authorization, issuance, and delivery of the Bonds as authorized and requested by the City. Specifically, we will prepare and direct the legal proceedings and perform the other necessary legal services with reference to the authorization, issuance and delivery of the Bonds, including the following:

1. Prepare all resolutions, ordinances, and other instruments pursuant to which the Bonds will be authorized, issued, delivered and secured, including election proceedings, if necessary, in cooperation and upon consultation with the City Council, their consultants, and other legal and financial advisors and consultants of the City.
2. Attend meetings of the City Council with reference to the authorization and issuance of the Bonds to the extent required or requested.
3. Cooperate with the City Council and all other interested parties in the sale of the Bonds to the purchasers, and review bond purchase agreements.
4. Review those sections of any official statement to be disseminated in connection with the sale of the Bonds which describe the Bonds, the resolution or ordinance pursuant to which they will be issued and the tax-exempt treatment of the interest on the Bonds for purposes of federal income taxation.
5. If requested, assist the City in presenting information to bond rating organizations and providers of credit enhancement relating to legal issues affecting the issuance of the Bonds.

6. Submit the Bond transcript to the Public Finance Division of the Attorney General's office and obtain all necessary approvals.
7. Supervise the execution of the Bonds and the delivery thereof to the purchasers.
8. When so delivered, give our approving opinion covering the validity of the Bonds and the exemption of interest thereon from federal income taxes, it being understood that the approving opinion will be fully acceptable nationally in regular commercial investment banking bond marketing channels.

Our services as Bond Counsel do not include any responsibility for investigating the financial condition and affairs of the City. Our approving legal opinion as Bond Counsel will contain a paragraph substantially to the effect that we have acted as Bond Counsel for the City for the sole purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas, and with respect to the exemption of the interest on the Bonds from federal income taxes, and for no other reason or purpose. The paragraph will also disclose that we have not been requested to investigate or verify, and have not investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the City, and have not assumed any responsibility with respect thereto.

FEES AND OTHER SERVICES

The fee covering the legal services of this firm, as Bond Counsel, for the issuance of the Bonds, in one or more installments, is as follows:

\$5,000 for the first \$1,000,000 of Bonds;
\$1.00 per \$1,000 of Bonds for the next \$9,000,000 of Bonds;
\$0.95 per \$1,000 of Bonds for the next \$30,000,000 of Bonds; and
\$0.90 per \$1,000 of Bonds thereafter.

If an issue of Bonds by the City exceeds \$100,000,000 in principal amount, the firm and the City will discuss and consider discounts to the fee schedule described above and the fees for such an issuance of Bonds will be set at an amount agreed upon by us and the City.

Also, we would expect to be reimbursed for our actual out-of-pocket expenses reasonably and necessarily incurred in connection with the authorization, issuance, and delivery of such Bonds, i.e. travel, photocopies, courier, Form 8038G filing and the Attorney General's filing fee.

Our fees and expenses will be payable within 30 days after the delivery of and payment for such Bonds, but our fees are wholly contingent upon actual delivery of such Bonds.

The foregoing legal services as Bond Counsel do not include any direct responsibility for any kind of litigation. However, if during the issuance of Bonds any litigation should develop regarding the issuance of the Bonds or the provisions made for their payment or security, we will consult, advise, and cooperate with the City and its attorneys concerning any such litigation. Our fees for such services would be based upon the customary hourly billing rates of the attorneys providing such additional services.

The firm will undertake upon the request of the City such services as may be necessary to assist the City in satisfying the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission or any necessary disclosure obligations of the City in connection with the issuance of

Bonds. Our fees for such services would be based upon hourly billing rates of the attorneys providing such services, and such rates shall be \$250.00 per hour for partners and \$150 per hour for associates. Should it be necessary for the firm to render a written opinion with respect to such matters, such fee for legal services provided in connection with the delivery of the opinion will be set at an amount agreed upon by us and the City.

RECORDS

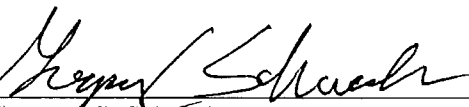
At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the termination of this engagement.

TERM

The term of this agreement shall commence on March 27, 2012, and conclude on March 26, 2017. Notwithstanding any other provision of this agreement, either party may terminate this engagement by giving thirty (30) days advance written notice to the other party.

Respectfully submitted,

McCALL, PARKHURST & HORTON L.L.P.

By: 
Gregory C. Schaecher

ACCEPTED THIS THE 21ST DAY OF FEBRUARY, 2012.

CITY OF DENTON, TEXAS

By: 
Mayor

APPROVED AS TO LEGAL FORM:

Anita Burgess, City Attorney

By: 