

CAUSE NO. 110998-D-CV

IN RE

CITY OF AMARILLO, TEXAS

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IN THE DISTRICT COURT OF

POTTER COUNTY, TEXAS

320th JUDICIAL DISTRICT

FINAL JUDGMENT

On October 4 and 5, 2022, the Court conducted the final hearing and trial regarding the City of Amarillo's (the "City") Declaratory Judgment Action under Chapters 1205 and 1431 of the TEXAS GOVERNMENT CODE and Plaintiff and Intervenor Alex's Fairly's ("Fairly") Declaratory Judgment Action under Chapter 37 of the TEXAS CIVIL PRACTICE & REMEDIES CODE. The City, Fairly, and the Attorney General of Texas appeared through counsel of record. After considering the pleadings on file, all evidence properly before the Court, and arguments of counsel, the Court hereby finds and declares that judgement shall be entered for Plaintiff and intervenor Alex Fairly. IT IS THEREFORE

DECLARED, ORDERED, ADJUDGED, AND DECREED that Item No. 5 on the agenda notice for the May 5, 2022 Tax Increment Reinvestment Zone ("TIRZ") #1 Board meeting did not provide the public with sufficient notice of the subject of the meeting and, therefore, violated § 551.041 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the actions taken by the TIRZ #1 Board on May 5, 2022 regarding Item No. 5, including the recommendation for the amendment of the TIRZ #1 project plan, are void under § 551.141 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Non-Consent Item No. 3(D), including consideration of including components of the Amarillo civic center

complex in the TIRZ #1 project plan, on the agenda notice for the May 10, 2022 regular City Council meeting of the Amarillo City Council did not provide the public with sufficient notice of the subject of the meeting and, therefore, violated § 551.041 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the actions taken by Amarillo City Council on May 10, 2022 regarding Non-Consent Item No. 3(D), including consideration of and voting upon the inclusion of components of the civic center complex in the TIRZ #1 project plan, are void under § 551.141 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Consent Item No. 2(E), including consideration for including components of the civic center complex into the TIRZ #1 project plan, on the agenda notice for the May 24, 2022 regular City Council meeting of the Amarillo City Council did not provide the public with sufficient notice of the subject of the meeting and, therefore, violated § 551.041 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Non-Consent Item No. 3(L), including the tax anticipation notes made the subject of this lawsuit, on the agenda notice for the May 24, 2022 regular City Council meeting of the Amarillo City Council did not provide the public with sufficient notice of the subject of the meeting and, therefore, violated § 551.041 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the actions taken by Amarillo City Council on May 24, 2022, related to Consent Item No. 2(E), including the

amendment of the TIRZ # 1 project plan, and Ordinance 7980, are void under § 551.141 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the actions taken by Amarillo City Council on May 24, 2022, related to Non-Consent Item No. 3(L), including the tax anticipation notes made the subject of this lawsuit, and Ordinance 7985, are void under § 551.141 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that City of Amarillo Ordinance 7980 is void under § 551.141 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that City of Amarillo Ordinance 7985 is void under § 551.141 of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Amarillo City Council violated Chapter 311 *et seq.* of the TEXAS TAX CODE by failing to publish notice in a newspaper regarding amending the TIRZ #1 project plan 7 days prior to the May 10 and 24, 2022 regular City Council meetings. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that City of Amarillo Ordinance 7985 is void under § 1431.008(a) of the TEXAS GOVERNMENT CODE. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the proceeds of the tax anticipation notes authorized under Ordinance 7985 were not intended for an authorized use under the § 1431.004 of the TEXAS GOVERNMENT CODE as the new construction of the civic center complex is not a public work and, therefore, Ordinance 7985 is void. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Article II, § 23 of the Amarillo City Charter applies to Ordinance 7985. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Alex Fairly be awarded what the Court finds to be reasonable and necessary attorneys' fees and costs through trial in favor of Alex Fairly and against the City of Amarillo in the amount of \$351,613.82. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Alex Fairly be awarded what the Court finds to be reasonable and necessary attorneys' fees and costs from the end of trial through final judgment in favor of Alex Fairly and against the City of Amarillo in the amount of \$25,000.00. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Alex Fairly be awarded, in the event of an appeal described under this paragraph, what the Court finds to be reasonable and necessary attorneys' fees and costs for the appeal of this final judgment to the Court of Appeals or direct appeal to the Supreme Court of Texas as allowed by Chapter 1205 *et seq.* of the TEXAS GOVERNMENT CODE in favor of Alex Fairly and against the City of Amarillo in the amount of \$50,000.00. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that Alex Fairly be awarded, in the event of an appeal described under this paragraph, what the Court finds to be reasonable and necessary attorneys' fees and costs in the amount of \$30,000.00 if after an appeal to the Court of Appeals, a petition for review is filed with the Supreme Court of Texas and the Supreme Court of Texas requests a response, or briefing on the merits, from Alex Fairly. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the City of Amarillo's requests for declarations as to the validity and legality of the public securities identified as City of Amarillo, Texas, Tax Notes, Taxable Series 2022A are hereby DENIED. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that the City of Amarillo, Texas, Tax Notes, Taxable Series 2022A are invalid and void. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that this final judgment, with respect to each adjudicated matter set forth above and each such matter that could have been raised is binding, conclusive, and final against the City of Amarillo, the Texas Attorney General, the Texas Comptroller of Public Accounts, and all who reside in the City of Amarillo, including property owners and taxpayers in the City of Amarillo, and all who have or claim a right, title, or interest in any property or money to be affected by the public security authorization and issuance of City of Amarillo Tax Notes Series 2022A made the subject of this lawsuit. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that all relief not expressly granted in this judgment is hereby denied. IT IS FURTHER

DECLARED, ORDERED, ADJUDGED, AND DECREED that this judgment finally disposes of all parties and all claims and constitutes FINAL JUDGMENT.

DATED: October 25th, 2022



THE HONORABLE JUDGE WILLIAM C. SOWDER

Judge for the 320th Judicial District Court
of Potter County, Texas by assignment