The City of Liberty
City Council

Special Called Meeting

~ Minutes ~

1829 Sam Houston
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, August 28, 2012 | **6:00 PM** | **City Council Chambers**

I. CALL TO ORDER

The Meeting was called to order on August 28, 2012 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 6:00 PM by Mayor Carl Pickett.

Attendee Name	Title	Status	Arrived
Carl Pickett	Mayor	Present	
Diane Huddleston	Councilperson	Absent	
Dennis Beasley	Councilperson	Present	
Frank Jordan	Councilperson	Present	
Louie Potetz	Councilperson	Present	
Libby Simonson	Councilperson	Present	
David Arnold	Councilperson	Present	
Gary Broz	City Manager	Present	
Dianne Tidwell	City Secretary	Present	
Brandon Davis	City Counsel	Present	

II. INVOCATION

This agenda item was passed on.

III. PLEDGE OF ALLEGIANCE

This agenda item was passed on.

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pickett reported on the following:

1) a special called meeting of the City council will be held on Tuesday, Sept. 4th,
2) the City will host the Texas Municipal Region XVI Meeting in the Liberty Center, on Thursday, September 27th,
3) thanked volunteers who assisted with the Hunger Buster Program,
4) thanked those that participated in the Smiles on Wheels Program, sponsored by the Texas Dental Association, and read aloud a letter from an individual expressing appreciation for the assistance they received from this program.

City Manager Gary Broz reported on the following:
1) please keep City Attorney Randy Gunter's family in thoughts and prayers, as his wife Jenn is in the hospital and
2) the hurricane in the Gulf seems to be staying east of Texas, and he asked the City's Emergency Management Coordinator Fred Collins to give a brief report on the storm.

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 2482)

Financial Report - Finance Director, N. Herrington

COMMENTS - Current Meeting:

Finance Director Naomi Herrington briefed the Council on the City's finances as of July 31, 2012. Ms. Herrington reported on the various funds and the status of each. The following figures were reported:

Fund	% of Budget - Rev.	% of Budget - Exp.	Cash in Bank
General	84%	80%	$1.3 million
Water	77.5%	67%	$600,000
Electric	69%	66%	$700,000
Garbage	111%	101%	$150,000

Additional discussion was held regarding the general fund and end of year transfers.

B. Information Item (ID # 2483)

Recycling Report - Councilperson Huddleston

COMMENTS - Current Meeting:

In the absence of Councilperson Huddleston, Mr. Broz reported that the next "Shred-It Day" will be held on Saturday, October 20th in the City Hall parking lot, from 9 a.m. until Noon.

C. Information Item (ID # 2484)

Houston-Galveston Area Council Report - Councilperson Jordan

COMMENTS - Current Meeting:

Councilperson Jordan, who serves on several Houston-Galveston Area Council committees read aloud a letter from the Texas Department of Agriculture stating that the City will soon be in receipt of funds awarded from a Community Development Block Grant Program, in the amount of $350,000, in support of sewer system improvements. Councilperson Jordan also reported that the City had received a H-GAC Planning Grant, in the amount of $80,000 for planning and community development. Councilperson Jordan further reported on the amount of grant funds received by Liberty County and the City of Liberty over the past several years.

VI. REGULAR AGENDA

A. Regular Session

1. Council Action 2012-89

Receive Report from Sam Rayburn Municipal Power Agency Director Pickett and President Halstead on Current Status of the Agency, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

The following Sam Rayburn Municipal Power Agency officials addressed Council regarding the Agency's recent bond refunding and current status of the Agency:

Bruce Mintz, Executive Director

Bruce Halstead, President

Carl Pickett, Board Member

The SRMPA officials discussed the $115 million Power Supply System Revenue refunding Bonds Series 2012 recently issued by SRMPA. Proceeds from the Series 2012 bonds will be used to refund all outstanding bonds. Bonds are secured by net revenues of the Agency, which are derived from payments received under power supply contracts with the three member cities, Liberty, Livingston, and Jasper.

SRMPA entered into a series of electric supply contracts, both sales and purchase contracts, with all those contracts collectively referred to as Cambridge. The effective date for Cambridge was Dec. 1, 2011. Cambridge resulted in SRMPA serving additional loads through Entergy Texas and Vinton Public Power Authority, creating additional power supply arrangements, in addition the the 1998 RSPA. SRMPA funds are not co-mingled with Cambridge; Cambridge being independent from the Agency's operations that secure payment on the Series 2012 Bonds.

This refunding will result in an annual reduction of $2.9 million in future debt service. Also discussed was that Cambridge will assist in securing long term power supply for member cities until 2035. The use of outside consultants will continue for oversight of this project.

Additional discussion included bond maturity dates and possible Cambridge profits to be passed down to member cities at the end of the year.

RESULT:	**NO ACTION TAKEN**

2. Council Action 2012-85

Consider Possible Refinancing of the 2004 Certificates of Obligation, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Dusty Traylor, RBC Capital Markets was present to discuss the details of possible refinancing of the City's 2004 bond issuance of $2.5 million for construction of the City Hall and Fire Station. Mr. Traylor reported that interest rates are extremely low and refinancing would equate to a savings of $192,000 or approximately $16,000 per year. The original interest rate on the borrowing was 4.295%, with available rates now being less than 2.5%. Mr. Traylor reviewed a Preliminary Refunding Analysis, reported that the refunding would have the same payoff date as the original debt, and that he could return in 3-4 weeks with a locked-in interest rate.

After brief discussion, a motion was made to authorize RBC Capital Markets to proceed with the refinancing of the 2004 Certificates of Obligation.

ATTACHMENTS:

- Refinancing of 2004 COs (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Frank Jordan, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Jordan, Potetz, Simonson, Arnold
ABSENT:	Diane Huddleston

3. Council Action 2012-84

Consider Approval of the Final Plat of the Edgewood East Subdivision, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Candice Motschman, Inspection Department reported on the final plat of the Edgewood East Subdivision located at Bowie and Edgewood, stating that this property is being subdivided for future development. Ms. Motschman stated that she had received a copy of the deed restrictions and the plat is in compliance and ready for filing.

Motion was made to approve the final plat of the Edgewood East Subdivision, as presented.

ATTACHMENTS:

- Edgewood East Subdivision Plat (3) (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Louie Potetz, Councilperson
SECONDER:	Frank Jordan, Councilperson
AYES:	Pickett, Beasley, Jordan, Potetz, Simonson, Arnold
ABSENT:	Diane Huddleston

4. Council Action (ID # 2488)

Consider Bids for Construction of Boomerang Electric Substation, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

City Manager Gary Broz reported that bids were opened for the construction of the Boomerang Electric Substation. Bids received were in the amount of $1.8 million and $1.4 million. Mr. Broz stated that with the bids being over the $900,000 project budget, his recommendation was to reject all bids.

Motion was made to reject the bids, as recommended by the City Manager.

ATTACHMENTS:

- Boomerang Substation Bid Tab (PDF)

RESULT:	**WITHDRAWN [UNANIMOUS]**
MOVER:	Libby Simonson, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Jordan, Potetz, Simonson, Arnold
ABSENT:	Diane Huddleston

5. Council Action 2012-86

Consider Approval of an Interlocal Agreement with Liberty County for Maintenance of Streets, Roads, Ditches and Recreational Areas, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Mr. Broz reported that this Interlocal Agreement is with Liberty County Precinct No. 1. Mr. Broz stated that he would like to pass on this agenda item, as he is working with the County on possibly changing this agreement to include all county precincts.

ATTACHMENTS:

- Interlocal Agreement- Liberty Co. 2012 (PDF)

RESULT:	**NO ACTION TAKEN**

6. Council Action 2012-87

Discuss City-Wide Air Conditioner Maintenance Proposals, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Mr. Broz reported that the City is constantly having issues with air conditioning in the various City facilities. Mr. Broz stated that the proposed maintenance agreement with ABM Building Services provides numerous services. City Engineer Tom Warner explained that this proposal was the only proposal received for these maintenance services. Mr. Warner stated that ABM will conduct an equipment inventory, test and inspect the equipment, conduct preventive maintenance, repair and replace broken or worn out parts and components, answer trouble calls, and pay for parts and supplies to keep the equipment operating properly and efficiently. This service is provided at a cost of $22,630 per year , which includes travel and technician time. The contract is renewed annually, unless written notice is provided by either party 30 days prior to the anniversary date.

After brief discussion a motion was made to accept the proposal as presented and enter into a maintenance contract with ABM .

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Frank Jordan, Councilperson
SECONDER:	David Arnold, Councilperson
AYES:	Pickett, Beasley, Jordan, Potetz, Simonson, Arnold
ABSENT:	Diane Huddleston

7. Resolution 2012-13

Consider a Resolution Authorizing the City Manager to Enter into Agreements with the Texas Department of Transportation for Temporary Closure of Main Street During the Trinity Valley Fair & Exposition Parades.

COMMENTS - Current Meeting:

Motion was made to approve the Resolution authorizing the City Manager to enter into agreements with the Texas Department of Transportation for the temporary closure of State Right of Way, for conduct of the Trinity Valley Exposition Parades.

ATTACHMENTS:

- TVE Rd Closure Agreement Baby Parade 2012 (DOC)
- TVE Rd Closure Agreement Opening Day Parade 2012 (DOC)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dennis Beasley, Councilperson
SECONDER:	Libby Simonson, Councilperson
AYES:	Pickett, Beasley, Jordan, Potetz, Simonson, Arnold
ABSENT:	Diane Huddleston

8. Public Hearing (ID # 2491)

Public Hearing on the Proposed Budget for Fiscal Year 2012-2013.

COMMENTS - Current Meeting:

At 7:17 p.m., Mayor Pickett opened the Public Hearing on the proposed budget for Fiscal Year 2012-2013. Mr. Broz reported that is only one change to the proposed budget since its original presentation to Council. Budget figures will change as a result of the approved air conditioner maintenance project, as the cost will be allocated to the various departments. Brief discussion was held regarding these figures and the 3% one-time salary adjustment to be presented to employees in December. Mayor Pickett closed the Public Hearing at 7:25 p.m.

9. Council Action 2012-88

Consider Postponement of the Final Vote on the Fiscal Year Budget 2012-2013 Until September 11, 2012.

COMMENTS - Current Meeting:

Motion was made to postpone the final vote on the FY 2012-2013 Budget until September 11, 2012.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Frank Jordan, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Jordan, Potetz, Simonson, Arnold
ABSENT:	Diane Huddleston

10. Public Hearing (ID # 2493)

Public Hearing on the Proposed Tax Rate for Fiscal Year 2012-2013.

COMMENTS - Current Meeting:

At 7:28 p.m., Mayor Pickett opened the Public Hearing on the proposed tax rate for FY 2012-2013. Discussion was held regarding the effective rate of $0.5420 and the rollback rate of $0.5507. Further discussion was held regarding maintenance and operations, debt service, average taxable values on property, total taxable property values in the City of $472,780,288, and retaining the current tax rate of $0.5900 per $100 valuation. The Public Hearing was closed at 7:34 p.m.

VII. WORK SESSION

1. Work Session (ID # 2494)

Discuss Changes to the Master Fee Schedule.

COMMENTS - Current Meeting:

Mr. Broz reported that this agenda item is not ready for discussion and will be presented at the next meeting.

2. Work Session (ID # 2495)

Discuss Changes to the Proposed 2012-2013 Fiscal Year Budget.

COMMENTS - Current Meeting:

This agenda item was passed on.

VIII. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, Mayor Pickett adjourned the meeting at 7:34 p.m.

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Carl Pickett, Mayor

ATTEST:

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Dianne Tidwell, City Secretary