The City of Liberty
City Council

Special Called Meeting

~ Agenda ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, January 28, 2020 **6:00 PM** **City Council Chambers**

The City Council of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

Attendee Name	Present	Absent	Late	Arrived
Mayor Carl Pickett	☐	☐	☐	
Mayor ProTem Diane Huddleston	☐	☐	☐	
Council Member Dennis Beasley	☐	☐	☐	
Council Member Libby Simonson	☐	☐	☐	
Council Member David Arnold	☐	☐	☐	
Council Member Chipper Smith	☐	☐	☐	
Council Member Neal Thornton	☐	☐	☐	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Public Comment is reserved for members of the public who would like to address the City Council regarding agenda and non-agenda items. Please be aware that, under Texas Law, the Council may not deliberate or take any action during Citizen's comments for items not on the agenda. In some situations, City Staff may be able to respond to the public comment with a factual statement or clarification. The City Council may have the item placed on a future agenda for action or refer the item to Management and Staff for study or conclusion.

III. PRESENTATIONS / REPORTS

1. Information Item (ID # 4671)

City Manager's Report - City Mgr. T. Warner- Projects & Activities - Residential Solid Waste Automated Collection Service - Texas Back in Business (Hurricane Harvey Relief Funds) - FEMA Community Education Workshop - Hwy. 146 Sanitary Sewer Line Extension

- City Manager's Report Jan 28 2020 (DOCX)

2. Information Item (ID # 4672)

Finance Report - Asst. City Manager/CFO - N. Herrington

3. Information Item (ID # 4670)

Mayor, Council and Staff Comments

IV. REGULAR AGENDA

A. Regular Session

1. Council Action (ID # 4673)

Consider approval of an agreement designating RBC Capital Markets as the City's Financial Advisors.

- Financial Advisor Agreement-Jan 2020 (PDF)

2. Council Action (ID # 4674)

Consider approval of the City's Plan of Finance, dated January 20, 2020, as presented by the City's Financial Advisor, RBC Capital Markets.

- Plan of Finance-GO Refunding-Jan 2020 (DOC)

3. Ordinance (ID # 4675)

Consider adoption of an Ordinance Authorizing the Issuance of up to $3,000,000 in Principal Amount of City of Liberty, Texas General Obligation Refunding Bonds, Series 2020, Authorizing the Execution of a Deposit Agreement, a Paying Agent/Registrar Agreement, a Purchase Contract and Other Instruments and Procedures Related Thereto, Delegating Authority to Certain City Officials to Select Outstanding Obligations to Be Refunded and Approve All Final Terms of the Bonds, Approving an Official Statement, and Calling Certain Obligations for Redemption.

- ORD - 2020 Liberty GO Ref Bonds-1 (PDF)
- Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (PDF)
- Deposit Agreement - 2020 Liberty GO Ref Bonds-1 (PDF)
- Closing Docs - 2020 Liberty Ref Bonds-1 (PDF)

4. Ordinance (ID # 4676)

CONSIDER ADOPTION OF AN ORDINANCE AMENDING SECTION 3.08.032 OF THE CITY OF LIBERTY CODE OF ORDINANCES, RESTRICTING MOBILE HOMES AND MANUFACTURED HOMES WITHIN THE CITY OF LIBERTY; ESTABLISHING AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE OCCASIONS.

- Non-Manufactured Home Zone Map Jan 2020 (PDF)

5. Ordinance (ID # 4677)

CONSIDER ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF LIBERTY, TEXAS, AUTHORIZING PARTICIPATION WITH OTHER ENTERGY SERVICE AREA CITIES IN MATTERS CONCERNING ENTERGY TEXAS, INC. AT THE PUBLIC UTILITY COMMISSION OF TEXAS IN 2020; AUTHORIZING THE HIRING OF LAWYERS AND RATE EXPERTS; AUTHORIZING THE CITY'S PARTICIPATION TO THE FULL EXTENT PERMITTED BY LAW AT THE PUBLIC UTILITY COMMISSION OF TEXAS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND DISPENSING WITH THE REQUIREMENT OF SECTION 3.10 OF THE HOME RULE CHARTER THAT THIS ORDINANCE BE READ ON TWO SEPARATE DAYS.

6. Ordinance (ID # 4678)

CONSIDER ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS AMENDING CHAPTER 1, GENERAL PROVISIONS, OF THE CITY OF LIBERTY CODE OF ORDINANCES, BY CREATING ARTICLE 1.13 REGULATING FAIR

HOUSING IN THE CITY; ESTABLISHING AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE OCCASIONS.

7. Council Action (ID # 4683)

Consider approval of the designation of February, 2020 as Fair Housing Month.

8. Ordinance (ID # 4679)

CONSIDER ADOPTION OF AN ORDINANCE AMENDING CHAPTER 4, BUSINESS REGULATIONS, OF THE CITY OF LIBERTY CODE OF ORDINANCES, BY AMENDING ARTICLE 4.11, DIVISION 3 REGULATING GAME ROOMS IN THE CITY; ADDING DIVISION 4 DEFINING AND REGULATING AMUSEMENT REDEMPTION ESTABLISHMENTS IN THE CITY; ESTABLISHING AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE OCCASIONS.

9. Council Action (ID # 4680)

Consider approval of a Release of Easement and Conveyance of Substitute Easement for the Wastewater Treatment Plant outfall.

- Release of Easement (PDF)
- Release of Easement-Map (PDF)

10. Ordinance (ID # 4681)

CONSIDER ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS PROVIDING FOR THE AMENDMENT OF THE MASTER FEE SCHEDULE FOR ALL RATES AND FEES CHARGED BY THE CITY OF LIBERTY; PROVIDING FOR A NEW FEE FOR RESIDENTIAL SOLID WASTE COLLECTION CONTAINERS AND CHANGING FROM COMMERCIAL ONCE A WEEK PICKUP TO TWICE A WEEK PICKUP ; PROVIDING THAT ALL RATES OR SCHEDULES OF RATES CONFLICTING HEREWITH ARE AMENDED; PROVIDING FOR AN EFFECTIVE DATE; AND DISPENSING WITH THE REQUIREMENT OF SECTION 3.10 OF THE HOME RULE CHARTER THAT ALL ORDINANCES BE READ ON TWO SEPARATE DAYS.

- Master Fee Schedule Changes (PDF)

V. WORK SESSION

1. Work Session (ID # 4682)

The City Council will conduct a Work Session to discuss the extension of the Community Development Advisory Board.

VI. ADJOURNMENT

Motion To: Adjourn

I certify that the attached Notice of Meeting was posted on the bulletin board and in the Message Centers located on the east and west sides of the City Hall Administration Building, located at 1829 Sam Houston on the 24th day of January, 2020 at 5:00 p.m. This notice will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

Dianne Tidwell, City Secretary

NOTICE

In compliance with the Americans with Disabilities Act, the City of Liberty will provide reasonable accommodation for persons attending and/or participating in this Council Meeting. To better serve you, requests must be made at least 24 hours prior to the meeting. Contact the City at (936) 336-3684 or by Fax at (936) 336-9846. The building is wheelchair accessible, with parking available, on the west side of the building.

I certify that the attached Notice and Agenda of items to be considered by the City Council was removed by me from the bulletin board at the City Hall on the _____ day of _____, 2020.

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 4671)

DOC ID: 4671

Subject: City Manager Report - City Projects and Activities

Background: This agenda item affords the City Manager the opportunity to update the Council and public on current and future City projects, activities and other items related to City business.

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Memo

To: Mayor & City Council

From: Tom Warner, City Manager

Date: January 28, 2020

Re: City Manager Report

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1. The Residential Solid Waste Automated Collection service started Citywide on January 20, 2020. Frontier Waste began distribution of the 96-gallon containers during the week of week of January 13th. The calls received to date by the City generally involved schedule clarifications, overflow trash bags next to containers not being picked up and question regarding brush pickup. Some of the call received included confusion in what was listed in the frequently asked questions and what was being told to customers by Frontier Waste. It turns out that the Dayton phone number from Frontier was being answered at their corporate offices in Corpus Christi. Once both of their offices were on the same page, those types of calls subsided.

2. The Texas General Land Office, through funding by the U. S. Department of Housing and Urban Development, has initiated Texas Back in Business. This relief program has allocated $100,000,000 in Hurricane Harvey Funds for Texas small business. Texas Back in Business is a job and economic revitalization program created to help Texas small businesses damaged by Hurricane Harvey. Grants range from $50,000 to $250,000. More information on the program is available by visiting TexasBackinBusiness.com.

3. On February 4, 2020, the FEMA-4466-TX Mitigation Branch is hosting a Community Education Workshop from 6:00 to 8:00 p.m. in the Liberty Center. The workshop is to provide recovery information primarily to homeowners. The workshop will combine brief formal presentations, question and answer period and an open forum period. Panelists will include subject matter experts from the Army Corp of Engineers, and FEMA Divisions to include: Floodplain and Insurance, Individual Assistance/Housing, Disability Integration, Inter-Agency Coordination and Community Education and Outreach.

4. The Hwy 146 Sanitary Sewer Line Extension Project has been completed. The Engineers Opinion of Probable Construction Cost for the Project was $360,000 with an additional $70,310 in engineering fees for a total project cost of $430,310. The total cost of the project, including construction and engineering fees was $397,173.36. PLC construction has paid their pro rata share of the project in the amount of $55,863.90.

Attachment: City Manager's Report Jan 28 2020 (4671 : City Manager's Report)

5. The following is a status of the current Electric Projects:

Project	Complete	Estimated Cost	Spent to Date
a. Pine Place Subdivision	55%	$ 46,953	$ 25,626
b. Featherstone Subdivision	58%	$105,920	$ 61,776
c. Whittington Subdivision	79%	$206,725	$163,193
d. Live Front Transformer	19%	$323,456	$ 61,582
e. Beaumont #3 Lateral	114%	$182,325	$217,215
f. UG Primary	4%	$250,000	$ 10,434
g. OH Transformer Platform	25%	$ 91,450	$ 22,991
h. Regency Place	42%	$279,040	$115,903
i. Travis Park	68%	$380,505	$258,529
j. UG Street Lighting	73%	$155,000	$112,549
k. Beaumont #2 Laterals	60%	$414,254	$248,873
l. Beaumont #4 Laterals	83%	$308,344	$258,307
m. Beaumont #5 Laterals	7%	$764,156	$ 52,361
n. Liberty #1 Laterals	0%	$345,881	
o. Liberty #3 Laterals	0%	$371,354	
p. Street Light Conversion	107%	$ 82,500	$ 93,294
Totals		$4,307,863	$1,701,633

Attachment: City Manager's Report Jan 28 2020 (4671 : City Manager's Report)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 4672)

DOC ID: 4672

Subject: Finance Report

Background: This agenda item affords the Asst. City Mgr./CFO an opportunity to report on the financial activities and position of the City, to include revenues, liabilities, assets, and other financial information.

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 4670)

DOC ID: 4670

Subject: Mayor, Council and Staff Comments

Background: This agenda item relates to expressions of thanks, congratulations or condolence; information regarding holiday schedules; honorary recognitions of City officials, employees or other citizens; reminders about upcoming events organized or sponsored by the City or other entity, that is scheduled to be attended by City officials or employees, inquiry of staff regarding specific factual information or existing policies.

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Agreements

COUNCIL ACTION (ID # 4673)

DOC ID: 4673

Department: Finance

Subject: Municipal Financial Advisor Agreement

Background: The Municipal Financial Advisor Agreement between the City and our Financial Advisor, RBC Capital Markets, expired on August 12, 2019. The proposed agreement would be for a five-year term with a base fee of $17,000 for the issuance each obligation $1,000,000 or less, plus a prorated amount as shown below:

$6.25 per $1,000 next	$1,500,000 or $26,375 for $2,500,000 Bonds
$3.00 per $1,000 next	$2,500,000 or $34,500 for $5,000,000 Bonds
$2.25 per $1,000 next	$5,000,000,or $45,750 for $10,000,000,Bonds
$1.00 per $1,000 over	$10,000,000

The terms of the agreement and fees are the same as in the 2014 agreement with RBC Capital Markets.

Funding Source: Bond proceeds.

Staff Recommendation: Staff recommends approval of the Municipal Financial Agreement with RBC Capital Markets.

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Capital Markets

MUNICIPAL ADVISOR AGREEMENT

January 28, 2020

Honorable Mayor and City Council Member
City of Liberty, Texas
1829 Sam Houston
Liberty, TX 77575

Re: Municipal Advisory Agreement

Ladies and Gentlemen:

1. **Retention of RBC Capital Markets, LLC.** RBC Capital Markets, LLC ("RBC CM") appreciates the opportunity to serve as municipal advisor to the City of Liberty, Texas (the "Client" or "you") in association with the issuance of obligations in the form of municipal securities or loan(s). Upon your acceptance, this engagement letter (the "Agreement") will serve as our mutual agreement with respect to the terms and conditions of our engagement as your municipal advisor, effective on the date this Agreement is executed by the Client (the "Effective Date").

2. **Scope of Services for Municipal Securities.** RBC CM is engaged by the Client as its municipal advisor to provide the services set forth below (the "Scope of Services") regarding the Obligations:

   (a) Analyze the financing and structuring alternatives available to the Client if and as requested by the Client, taking into account its borrowing capacity, future financing needs, policy considerations, and such other factors as we deem appropriate to consider.

   (b) Recommend a plan for the issuance of the Obligations, consistent with the goals and needs of the Client, that may include: (1) the type of Obligations (e.g. current interest, capital appreciation, deferred income, etc.); (2) the date of issue; (3) principal amount; (4) interest structure (e.g., fixed rate, variable rate, etc.); (5) interest payment dates; (6) a schedule of maturities; (7) early redemption options; (8) security provisions; (9) method of sale (e.g., public sale, direct purchase by a bank or other investor, etc.); (10) as applicable, the investment of proceeds of the Obligations via state and local government obligations (SLGS), competitively bid open market securities or guaranteed investment contracts; and (10) other matters that we consider appropriate to best serve the Client's interests.

   (c) Advise you of current conditions in the relevant debt market, market supply and demand issues, and other general market information and economic data which might reasonably be expected to influence interest rates, sale or bidding conditions or timing of issuance.

   (d) Organize and coordinate the financing team selected by you. If requested, we will recommend qualified paying agents, escrow agents and verification agents, as the particular transaction may require, each of whom will be retained and compensated by you. In a negotiated offering, we will assist in the preparation of soliciting underwriter proposals upon request and provide assistance to you for the hiring of the underwriter(s).

   (e) Work with counsel on the transaction, including bond counsel whom you retain, who will be recognized municipal bond attorneys, whose fees will be paid by you, and who will prepare the proceedings,

Attachment: Financial Advisor Agreement-Jan 2020 (4673 : Financial Advisor Agreement)

provide legal advice concerning the steps necessary to be taken to issue the Obligations, and issue an unqualified opinion (in a form standard for the particular type of financing) approving the legality of the Obligations and (as applicable) tax exemption of the interest paid thereon. In addition, bond counsel, disclosure counsel or underwriter's counsel (as applicable) will issue an opinion to the effect that the disclosure document does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading. Generally, working with counsel will mean coordinating with the attorneys and reviewing as municipal advisor such counsel's preparation of appropriate legal proceedings and documents, including documents concerning any required election.

(f) As applicable, assist in the Client's preparation of the preliminary official statement and the official statement or equivalent document as the particular transaction may require (such as a private placement memorandum).

(g) Make recommendations as to the need for credit rating(s) for the proposed Obligations and, should the Client seek a rating, coordinate the process of working with the rating agency or agencies and assist in the preparation of presentations as necessary.

(h) Analyze the value and costs of obtaining municipal bond insurance, a liquidity facility or other credit enhancement for the Obligations and, should the Client seek any such credit enhancement, coordinate the process and assist in the preparation of presentations as necessary.

(i) Attend meetings of governing bodies of the Client, its staff, representatives or committees as requested.

(j) Coordinate with all parties to consummate the sale and delivery of the Obligations in a timely manner.

(k) After closing, deliver to the Client and the paying agent(s) definitive debt records, including a schedule of annual debt service requirements on the Obligations.

(l) You acknowledge that advice and recommendations involve professional judgment on our part and that the results cannot be, and are not, guaranteed. Further:

i. Unless otherwise provided in the Scope of Services described herein, RBC CM is not responsible for the information included in any preliminary or final official statement, or for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about RBC CM provided by RBC CM for inclusion in such documents.

ii. The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any issue or in connection with any opinion or certificate rendered by counsel or any other person at closing, and does not include review or advice on any feasibility study.

iii. The Scope of Services does not include providing advice or services with respect to investment advisory services, brokerage services or derivative products.

iv. If the Client designates RBC CM as its independent registered municipal advisor ("IRMA") pursuant to the Municipal Advisor Rule (the "MA Rule") of the Securities and Exchange Commission (the "SEC") with respect to the activities and aspects described in the Scope of Services, the Client agrees to disclose to RBC CM the existence of any such IRMA designations. Any reference to RBC CM, its personnel and its role as IRMA in the written representation of the Client contemplated under the MA Rule is subject to prior approval by RBC CM. RBC CM is not responsible for verifying that it is independent (within the meaning of the MA Rule as interpreted by the SEC) from any party.

Attachment: Financial Advisor Agreement-Jan 2020 (4673 : Financial Advisor Agreement)

3. **Scope of Services for Loans with Bank or Governmental Agency/Authority.**

(a) As requested, analyze the risks and benefits of a loan with a bank or governmental agency/authority loan versus the issuance of municipal securities via the public debt markets.

(b) Recommend a plan for the structure of the loan, including: (1) the debt repayment structure (e.g., current interest, capital appreciation, etc.). and maturity dates; (2) loan amount; (3) interest structure (e.g., fixed or variable rate, etc.); (4), payment dates and early redemption dates, if applicable; (5) security provisions; and (6) as applicable, the investment of loan proceeds via state and local government obligations (SLGs), competitively bid open market securities or guaranteed investment contracts; and (7) other matters that we consider appropriate to best serve the Client's needs.

(c) Recommend: (1) lenders who are or may be active in the market for tax exempt municipal loans; (2) participate in the drafting for your review and approval appropriate request for bids or qualification for lenders to submit bids to provide a loan; and (3) facilitate the distribution of requests for bids or qualifications.

(d) Analyze and negotiate the term sheets obtained and advise you and recommend the terms that meet your financial objectives.

4. **Amendment to Scope of Services.**
The Scope of Services may be changed only by written amendment or supplement to the Scope of Services described herein. The parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services.

5. **RBC CM's Regulatory Duties When Servicing the Client under MSRB Rule G-42.**
RBC CM must make a reasonable inquiry as to the facts that are relevant to the Client's determination whether to proceed with a course of action, or that form the basis for any advice provided by RBC CM to the Client. Municipal Securities Rulemaking Board ("MSRB") Rule G-42 also requires that RBC CM undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. RBC CM is also required to use reasonable diligence to know the essential facts concerning the Client and concerning the authority of each person acting on the Client's behalf. If the review of a recommendation of another party is requested by the Client and is within the Scope of Services of the Agreement, RBC CM must determine based on information obtained through reasonable diligence, whether the proposed securities transaction or financial product is or is not suitable for the Client. To the extent our services involve advising you with respect to a bank loan or a loan with a governmental agency or authority, certain rules and regulations of the Securities and Exchange Commission and MSRB may not apply to the activities of RBC CM.

The Client agrees to assist RBC CM in carrying out these regulatory duties, including providing to RBC CM accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Client agrees to notify RBC CM if the Client requests that RBC CM review any recommendation of a third party.

6. **Term of this Engagement.**
The Term of this Agreement begins on the Effective Date and may be terminated as provided for below. This Agreement may be terminated with or without cause by either party upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination.

7. **Compensation.**
The fees due to RBC CM hereunder shall be as set forth in Appendix A hereto. In addition, RBC CM shall be entitled to reimbursement of expenses incurred in connection with any services provided hereunder as set forth in Appendix A.

Attachment: Financial Advisor Agreement-Jan 2020 (4673 : Financial Advisor Agreement)

8. **Limitation of Liability.**

(a) In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of RBC CM or any of its associated persons, RBC CM and its associated persons shall have no liability to the Client for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of any Obligations , or investments of bond proceeds, or for any financial or other damages resulting from the Client's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by RBC CM to the Client. No recourse shall be had against RBC CM for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Client arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with any issue or otherwise relating to the tax treatment of any issue, or in connection with any opinion or certificate rendered by counsel or any other party.

(b) Official Statement and Waiver of Sovereign Immunity. Client acknowledges that it is responsible for the contents of the preliminary official statement, official statement or any other document related to the issuance of the Obligations as contemplated herein ("Offering Documents"). Client will take all reasonable steps to ensure that the governing body has reviewed and approved the contents of the Offering Documents. In addition, Client agrees and understands that this Agreement is a contract for services and to the extent permitted under the applicable state law, waives any claims or defenses you may have that you are immune from suit for any matter arising from or relating to this Agreement.

9. **Required Disclosures.**
MSRB Rules G-10 and G-42 require that RBC CM provide you with disclosures of pertinent regulatory information, potential and actual conflicts of interest, and information regarding certain legal events and disciplinary history. Such disclosures are provided in RBC CM's Disclosure Statement delivered to the Client together with this Agreement.

10. **Know Your Client, Anti-Money Laundering, and Terrorist Financing Rules and Regulations.**
The Client agrees to provide information to satisfy "Know Your Client," "Anti-Money Laundering" and Terrorist Financing" rules and regulations, in each case, in accordance with RBC CM's requirements.

11. **Waiver of Jury Trial.**
EACH PARTY AGREES TO WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTERCLAIM OR ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE RELATIONSHIP BETWEEN THE PARTIES. PARTIES AGREE TO WAIVE CONSEQUENTIAL AND PUNATIVE DAMAGES.

12. **Choice of Law.**
This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.

13. **Binding Effect; Assignment.**
This Agreement shall be binding upon and inure to the benefit of the Client and RBC CM, their respective successors and permitted assigns; provided however, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

14. **Entire Agreement.**
This instrument, including all appendices hereto, contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. This Agreement may not be amended, supplemented or modified except by means of a written instrument executed by both parties.

Attachment: Financial Advisor Agreement-Jan 2020 (4673 : Financial Advisor Agreement)

15. **Severability.**
If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions because it conflicts with any provisions of any constitution, statute, rule or public policy, or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

16. **No Third Party Beneficiary.**
This Agreement is made solely for the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

17. **Authority.**
The undersigned representative of the Client represents and warrants that (s)he has full legal authority to execute this Agreement on behalf of the Client. The following individuals have the authority to direct RBC CM's performance of its activities under this Agreement on behalf of the Client:

Tom Warner, City Manager
Naomi Herrington, Finance Director

18. **Counterparts.**
This Agreement may be executed in counterparts, each of which shall be an original, but which taken together, shall constitute one and the same instrument.

RBC CAPITAL MARKETS, LLC

By: _____
Name: Robert V. Henderson
Title: Managing Director
Date: January 28, 2020

ACCEPTANCE

ACCEPTED this [_____] day of [_____], 2020

By _____
Name _____
Title _____

Attachment: Financial Advisor Agreement-Jan 2020 (4673 : Financial Advisor Agreement)

APPENDIX A

FEE SCHEDULE

In consideration for the services rendered by RBC Capital Markets, the Issuer agrees that our fee for each issue of Obligations will be as follows:

Base Fee - Any Issue up to $1,000,000:			$17,000	
Plus				
$6.25 per	$1,000 next	$1,500,000 or	$26,375 for	$2,500,000 Bond Proceeds
Plus				
$3.00 per	$1,000 next	$2,500,000 or	$34,500 for	$5,000,000 Bond Proceeds
Plus				
$2.25 per	$1,000 next	$5,000,000 or	$45,750 for	$10,000,000 Bond Proceeds
Plus				
$1.00 per	$1,000 over	$10,000,000 Bond Proceeds		

For any issue of refunding Obligations and/or other Obligations involving escrow Agreements, Revenue Bonds or Bonds issued to State or Federal Agencies, our fees will be the as computed in fee schedule set out above plus 25% (or 125% of the scheduled amount). It is also understood and agreed that we will charge a document preparation fee to be negotiated on a case-by-case basis, not to exceed $7,500.00.

It is also understood and agreed that when appropriate under the circumstances (depending on time and resources expended in the transaction), we will charge an additional fee to be negotiated on a case-by-case basis. In no event shall this fee exceed 25% of the scheduled Financial Advisory fee set out above.

RBC Capital Markets will bill the Issuer at Closing for each issue of Obligations a net amount which will include a fee calculated on the above schedule as well as any "out-of-pocket" expenses incurred on behalf of the Issuer.

Attachment: Financial Advisor Agreement-Jan 2020 (4673 : Financial Advisor Agreement)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Financial Issues

COUNCIL ACTION (ID # 4674)

DOC ID: 4674

Department: Finance

Subject: Plan of Finance

Background: The City's Financial Advisor, RBC Capital Markets, has updated its analysis of the City's outstanding debt to identify refunding opportunities, given current interest rate market conditions. Currently, the Series 2010A Certificates of Obligation will become "callable" on March 1, 2020 and meet the criteria for refunding. The refunding analysis estimates the refunding interest may be reduced from 4% to 2.33% producing gross dollar and net value savings of approximately $313,372 and $286,107, respectively. Mr. Bob Henderson will be present at the meeting to discuss the plan of Finance in greater detail.

Funding Source: N/A

Staff Recommendation: Staff recommends approval of the Plan of Finance dated January 20, 2020.

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Robert V. Henderson
Managing Director,
Phone: (210) 805-1118
Facsimile: (210) 805-1119
robert.henderson@rbccm.com

CITY OF LIBERTY, TEXAS

PRELIMINARY PLAN OF FINANCE

DATED: JANUARY 20, 2020

INTRODUCTION:

As the City's Financial Advisor, RBC Capital Markets has updated its analysis of the City's outstanding debt to identify refunding opportunities, given current interest rate market conditions. There is such an opportunity. The purpose of this report is to provide the background and analysis of that opportunity.

FINANCIAL BACKGROUND:

The City of Liberty currently has seven ad valorem property tax secured debt obligations outstanding:

Issue:	Original Amount:	Currently Outstanding:	Final Maturity:
Certificates of Obligation, Series 2007	$8,100,000	$ 4,090,000	3/1/2028
Certificates of Obligation, Series 2010A	4,705,000	3,455,000	3/1/2030
Certificates of Obligation, Series 2012	1,750,000	1,300,000	3/1/2032
General Obligation Ref. Bonds, Series 2012	2,695,000	1,380,000	3/1/2024
Certificates of Obligation, Series 2016	7,655,000	6,730,000	3/1/2036
		$16,955,000	

To best comprehend the impact of this debt on the City, we need a clear understanding of the sources of revenues being used to meet debt service on each. The Series 2007 COs were issued to the TWDB to provide funding for sewer plant improvements and are paid from the Water and Sewer Utility System. The remaining four issues are paid from I &S taxes. The debt service on these four issues will collectively fall approximately $295,000 annually starting in FYE 2025. This, together with anticipated tax base growth, will result in increased debt capacity within your existing I&S tax rate (20.83 cents) of approximately $4.2 million; assuming a 20 year structure and current market interest rates.

REFUNDING ANALYSIS:

The Tax Reform Act of 2017 eliminated the ability to "advance refund" debt; advance meaning substantially in advance of the debt issue's established call date, the date on which the debt can be prepaid. So, the first criteria examined is whether the debt will become callable in the intermediate future. Of the above debt; the Series 2010A Certificates of Obligation includes $3,200,000 in maturities that become "callable" on March 1, 2020. This debt bears interest at 4.0%. Our refunding analysis, attached, estimates this debt can be refunded at an interest rate of approximately 2.33%, producing gross dollar and net present value savings of approximately $313,372 and $286,107 respectively, or 8.94% of the refunded amount even after taking into consideration costs of issuance. The industry rule of thumb for savings is generaly considered to be 3%. Finally, the average annual savings of approximately $27,500 would increase the above cited debt capacity based on current I&S rate another $425,000.

Attachment: Plan of Finance-GO Refunding-Jan 2020 (4674 : Plan of Finance)

SELLING THE REFUNDING DEBT:

If the City elects to move forward with a refunding of the Series 2010A COs, there are three generally prescribed methods for selling public debt; Selling by competitive bid, selling on a negotiated sale basis and conducting a private placement. The first two methods involve sales to the general public, obtaining bond ratings (the City is currently rated AA- by Moody's Investor Services), preparing offering documents and involving underwriters. The private placement method entails presenting the debt to a number of commercial banks (both locally and on a regional basis) and requesting bids. We would then present the City with a bond purchase agreement between the winning bidder and the City reflecting those terms. Given the refunding nature of the issue, which is timing and interest rate sensitive, we recommend the debt be sold on a negotiated sale basis. Given the modest size of the issue, it is our recommendation that the City utilize a single underwriting firm for maximum focus on distribution. The last sale by the City was done on a competitive sale basis. The last sale done on a negotiated basis was in 2012 and handled by a firm which has since been sold. We are happy to work with City Administration to identify another firm wells suited to handle the distribution of this type of security.

Refunding Bonds do not require any special notices or public hearings. There are two methods for handling council approval. The first, more traditional method, is that the Council approves a plan of finance and authorizes the Director of Finance, working with the Financial Advisor, to proceed with rating presentations, document preparation and set a predetermined date to sell the bonds and bring to the Council an ordinance complete with interest rates for Council approval. The second method, the "parameters" resolution method, has become popular in the past 8-10 years. In this method, an ordinance authorizing the issuance of the debt is presented to council that does not set out the final interest rates of the issue but instead delegates the authority to negotiate such final terms to one or more City officials; typically the City Manager and/or the Director of Finance, SO LONG AS CERTAIN PARAMETERS APPROVED BY THE COUNCIL ARE MET. The parameters set out in the ordinance include a maximum amount of debt to be issued, the maximum level of interest rates that can be approved, a maximum maturity of the debt and a minimum level of savings that must be achieved and puts a time limit on the authorization. In this manner, City administration has the latitude to monitor the market as preparations are made and to choose the market conditions in which to enter rather than being forced to accept whatever market conditions exist at the time of a predetermined sale date. Given the flexibility of timing considerations and that the City has used the parameters sale method in the past with success, is our recommendation to use that method. To minimize the number of meetings required to address the overall issue of refunding, we recommend the City take up the parameters resolution the same evening as considering approval of this plan of finance.

TIMING:

As the COs become callable on March 1, 2020 and the City must give at least 30 days' notice to exercise its call option, it would be desirable to close the issue as soon as reasonably possible. Therefore, we recommend the City consider a parameters resolution at its January 28th regular council meeting.

ADDITIONAL HOUSEKEEPING ITEMS:

In preparing for this meeting, it has come to our attention that our firm's Financial Advisory agreement which had a term of 10 years, is set to expire on January 26, 2020. To remain compliant with the various regulatory bodies, we respectfully request that the City also consider renewing the Financial Advisory

Attachment: Plan of Finance-GO Refunding-Jan 2020 (4674 : Plan of Finance)

agreement at its meeting of January 28th. As a reminder, the City solicited RFQs for Financial Advisory services in 2014 relating to finance applications with the Texas Water Development Board. RBC CM proposes submitting the same agreement for general services at the City. We appreciate your consideration.

SUMMARY:

The City of Liberty has developed a history of actively monitoring and managing its debt portfolio to lock in substantial savings as opportunities arise. As always, we cannot be sure of final savings until the debt is rated and sold. However, based on these estimates, RBC Capital Markets recommends moving forward with this proposed refunding.

Attachment: Plan of Finance-GO Refunding-Jan 2020 (4674 : Plan of Finance)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM
Department: Administration
Category: Bonds

ORDINANCE (ID # 4675)

DOC ID: 4675 A

Department: Finance

Subject: Refunding Bonds, Series 2020.

Background: The Plan of Finance presented in Agenda Item No. 2 recommended the refunding of the Certificates of Obligation Series 2010A. The approval of the Ordinance would Authorize the Issuance up to $3,000,000 in Principal Amount of City of Liberty, Texas General Obligation Refunding Bonds, Series 2020, Authorize the Execution of a Deposit Agreement, a Agent/Registrar Agreement, Purchase Contract and Other Instruments and Procedures Related Thereto, Delegating Authority to Certain City Officials to Select Outstanding Obligations to be Refunded and Approve All Final Terms of the Bonds, Approving an Official Statement and Calling Certain Obligations for Redemption.

Fiscal Impact: Authorization to issue up to $3,000,000 in General Obligation Refunding Bonds.

Staff Recommendation: Staff recommends approval of the ordinance.

ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO $3,000,000 IN PRINCIPAL AMOUNT OF *CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020,* AUTHORIZING THE EXECUTION OF A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT AND OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO, DELEGATING AUTHORITY TO CERTAIN CITY OFFICIALS TO SELECT OUTSTANDING OBLIGATIONS TO BE REFUNDED AND APPROVE ALL FINAL TERMS OF THE BONDS, APPROVING AN OFFICIAL STATEMENT, AND CALLING CERTAIN OBLIGATIONS FOR REDEMPTION

DATE OF APPROVAL: JANUARY 28, 2020

DRAFT DATE: JANUARY 20, 2020

ORDINANCE NO. _____

ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO $3,000,000 IN PRINCIPAL AMOUNT OF *CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020,* AUTHORIZING THE EXECUTION OF A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT AND OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO, DELEGATING AUTHORITY TO CERTAIN CITY OFFICIALS TO SELECT OUTSTANDING OBLIGATIONS TO BE REFUNDED AND APPROVE ALL FINAL TERMS OF THE BONDS, APPROVING AN OFFICIAL STATEMENT, AND CALLING CERTAIN OBLIGATIONS FOR REDEMPTION

DATE OF APPROVAL: JANUARY 28, 2020

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

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Signatures

Exhibit A Form of Approval Certificate
Exhibit B Form of Certificate Approving Series 2010A Certificates Selected for Refunding
Exhibit C Form of Paying Agent/Registrar Agreement
Exhibit D Written Procedures Relating to Continuing Compliance with Federal Tax Covenants
Exhibit E Description of Annual Financial Information
Exhibit F Form of Deposit Agreement
Exhibit G Form of Notice of Defeasance and Redemption

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

ORDINANCE NO. _____

ORDINANCE AUTHORIZING THE ISSUANCE UP TO $3,000,000 IN PRINCIPAL AMOUNT OF *CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020*, AUTHORIZING THE EXECUTION OF A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT AND OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO, DELEGATING AUTHORITY TO CERTAIN CITY OFFICIALS TO SELECT OUTSTANDING OBLIGATIONS TO BE REFUNDED AND APPROVE ALL FINAL TERMS OF THE BONDS, APPROVING AN OFFICIAL STATEMENT, AND CALLING CERTAIN OBLIGATIONS FOR REDEMPTION

THE STATE OF TEXAS §
COUNTY OF LIBERTY §
CITY OF LIBERTY §

WHEREAS, the **CITY OF LIBERTY, TEXAS** (the "***City***") in Liberty County, Texas, is a political subdivision of the State of Texas operating as a home-rule city pursuant to the Texas Local Government Code and its City Charter which was initially approved by the qualified voters of the City on May 6, 1958, and which has been amended from time to time, with the most recent amendments being approved by the qualified voters of the City on May 10, 2008; and

WHEREAS, among numerous series of bonds of the City which are secured by the full faith and credit of the City and a pledge by the City to levy ad valorem taxes sufficient to pay principal of and interest on such bonds as they become due, within the limits permitted by law, there are specifically outstanding the following series of obligations:

> *City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation, Series 2010A, dated August 15, 2010, maturing on March 1 in the years 2020 through 2030, currently outstanding in the aggregate principal amount of $3,455,000 (the "**Series 2010A Certificates**"); and*

WHEREAS, pursuant to the ordinance which authorized the Series 2010A Certificates, the Series 2010A Certificates maturing on an after March 1, 2021 are subject to redemption at the option of the City on March 1, 2020 and on any date thereafter; and

WHEREAS, the City now desires to authorize the refunding of all or a portion of the Series 2010A Certificates maturing on and after March 1, 2021, which are more fully described as follows:

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SERIES 2010A CERTIFICATES ELIGIBLE TO BE REFUNDED

MATURITY (MARCH 1)	PRINCIPAL AMOUNT MATURING IN YEAR ($)	PRINCIPAL AMOUNT ELIGIBLE TO BE REFUNDED ($)	STATED INTEREST RATE (%)	CUSIP NO. (531286)
2021	265,000	265,000	4.000	KU5
2022	280,000	280,000	4.000	KV3
2023	290,000	290,000	4.000	KW1
2024	295,000	295,000	4.000	KX9
2025	310,000	310,000	4.000	KY7
2026	325,000	325,000	4.000	KZ4
2027	335,000	335,000	4.000	LA8
2028	355,000	355,000	4.000	LB6
2029	365,000	365,000	4.000	LC4
2030	380,000	380,000	4.000	LD2
Totals	3,455,000	3,455,000	***	***

WHEREAS, pursuant to the provisions of Section 1207.007(a)(4), Texas Government Code, the City now desires to delegate to a "Designated Officer" (as defined in Section 1(a) below) the authority, individually or collectively, to select the specific maturities and principal amounts of the Series 2010A Certificates described in the preceding recital to be refunded with proceeds of the bonds authorized pursuant to this Ordinance and effect the sale of such bonds; and

WHEREAS, the Series 2010A Certificates selected by a Designated Officer to be refunded as authorized by Section 1(c) of this Ordinance are hereafter referred to as the "***Refunded Obligations***"; and

WHEREAS, Chapter 1207, Texas Government Code, as amended ("***Chapter 1207***"), authorizes the City to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Obligations, or with another trust company or commercial bank that does not act as a depository for the City, in an amount sufficient to provide for the payment and/or redemption of the Refunded Obligations, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Obligations; and

WHEREAS, Chapter 1207 (specifically Section 1207.062, Texas Government Code) further authorizes the City to enter into an escrow agreement with any paying agent for the Refunded Obligations, or with another trust company or commercial bank that does not act as a depository for the City, with respect to the safekeeping, investment, reinvestment, administration and disposition

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

of any such deposit, upon such terms and conditions as the City and such paying agent may agree; provided that such deposits may be invested and reinvested in:

(i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States,

(ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council of the City adopts or approves this Ordinance, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and

(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 that, on the date the City Council of the City adopts or approves this Ordinance, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent,

and all of which must mature and bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment or redemption of the Refunded Obligations; and

WHEREAS, **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, currently serves as the paying agent for the Series 2010A Certificates, and the Deposit Agreement hereinafter authorized between the City and The Bank of New York Mellon Trust Company, N.A., shall constitute an escrow agreement of the kind authorized and permitted by Chapter 1207; and

WHEREAS, the City Council of the City hereby finds and declares a public purpose and deems it advisable and in the best interests of the City to issue a series of bonds (defined in Section 2 hereof as the "***Bonds***"), the proceeds of which will be used to pay costs of issuance and refund the Refunded Obligations in order to achieve a gross debt service savings and a net present value debt service savings for the benefit of the taxpayers of the City; provided, however, in no event shall Bonds be issued unless the City is able to achieve a net present value debt service savings of at least *5.00%* of the principal amount of the Refunded Obligations; and

WHEREAS, the Bonds hereinafter authorized and designated are to be issued and delivered pursuant to Chapter 1207; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LIBERTY:

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SECTION 1. AMOUNT AND PURPOSE OF THE BONDS; DELEGATION OF AUTHORITY TO CERTAIN CITY OFFICIALS.

(a) *Authorization to Issue General Obligation Refunding Bonds*. General obligation bonds of the City are hereby authorized to be issued and delivered in the aggregate principal amount as designated by the Mayor, the City Manager and/or the Finance Director of the City (each a "***Designated Officer***") pursuant to the provisions of Section 1(b) of this Ordinance ***FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE CITY'S OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS, AND TO PAY FOR COSTS OF ISSUANCE***.

(b) *Delegation of Final Terms*. As authorized by Section 1207.007, Texas Government Code, each Designated Officer, acting individually or in combination with another Designated Officer, is hereby authorized, appointed, and designated as an officer of the City authorized to act on behalf of the City to effect the sale of the Bonds and establish the terms and details related to the issuance and sale of the Bonds including the total aggregate principal amount of Bonds to be issued (but in no event to exceed *$3,000,000* in aggregate principal amount), the price at which the Bonds will be sold (but in no event shall the Bonds be sold at a price which would result in a net present value debt service savings of less than *4.00%* of the principal amount of the Refunded Obligations), the date of the Bonds, the aggregate principal amount of each maturity thereof, the due date of each maturity (but in no event later than *March 1, 2030*), the rate of interest to be borne on the principal amount of each such maturity (but in no event to exceed a true interest cost rate for all of the Bonds of *4.00%* per annum), the interest payment periods, the dates, price and terms upon and at which the Bonds shall be subject to any mandatory sinking fund redemption provisions for any maturity, and all other matters relating to the issuance, sale and delivery of the Bonds. Each Designated Officer, acting individually or in combination with another Designated Officer for and on behalf of the Issuer, is further authorized to (i) complete and attach *Exhibit A* of this Ordinance, (ii) revise and complete the FORM OF BOND set forth in Section 5 of this Ordinance, with the final terms of the Bonds approved pursuant to the authority granted herein, (iii) select a financial institution to serve as the paying agent/registrar for the Bonds (herein referred to as the "***Paying Agent/Registrar***"), and to approve and execute a Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar (upon consultation with the City's Bond Counsel), and (iv) approve the form, enter into, execute and carry out a Purchase Contract to purchase the Bonds (in the form approved by Bond Counsel for the City) with one or more investment banking firms selected by a Designated Officer to serve as the underwriters for the Bonds (which firm or firms shall be named in *Exhibit A* of this Ordinance).

(c) *Delegation of Authority to Select Series 2010A Certificates for Refunding*. As authorized by Section 1207.007(a)(4), Texas Government Code, each Designated Officer, acting individually or in combination with another Designated Officer for and on behalf of the City, is are hereby authorized to select all or any portion of the Series 2010A Certificates maturing on and after March 1, 2021 to be refunded with proceeds of the Bonds and to evidence the selection of such Series 2010A Certificates by executing and attaching to this Ordinance as *Exhibit B* a certificate describing the maturities and the principal amount of such maturities of the Series 2010A Certificates to be refunded with the proceeds of the Bonds.

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

(d) *Determination Required by Section 1201.022(a)(3), Texas Government Code*. In satisfaction of Section 1201.022(a)(3), Texas Government Code, the City Council hereby determines that the delegation of the authority to each Designated Officer to approve the final terms of the Bonds set forth in this Ordinance is, and the decisions made by a Designated Officer pursuant to such delegated authority and incorporated in *Exhibit A* will be, in the City's best interests, and each Designated Officer is hereby authorized to make and include in *Exhibit A* an appropriate finding to that effect.

(e) *Expiration of Delegation Authority*. The authority delegated to a Designated Officer pursuant to Sections 1(b) and (c) above shall expire on July 27, 2020.

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF BONDS. Each Bond issued pursuant to this Ordinance shall be designated **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BOND, SERIES 2020**, and initially there shall be issued, sold and delivered hereunder one fully registered bond, numbered T-1 (the "***Initial Bond***"), without interest coupons, dated as of the date determined by a Designated Officer and set forth in *Exhibit A*, and payable on the dates and in the principal amounts determined by a Designated Officer and set forth in *Exhibit A*, with Bonds issued and delivered in substitution for the Initial Bond being in the denomination of $5,000 or any integral multiple thereof, being numbered consecutively from R-1 upward, and being payable to the initial registered owner designated in Section 13 hereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof (the "***Registered Owner***").

SECTION 3. INTEREST. The Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BOND set forth in this Ordinance to their respective dates of maturity at the rates per annum determined by a Designated Officer as set forth in *Exhibit A* attached hereto. Said interest shall be payable in the manner provided and on the dates stated in the FORM OF BOND set forth in this Ordinance.

SECTION 4. CHARACTERISTICS OF THE BONDS.

(a) *Registration, Transfer, and Exchange; Authentication*. The City shall keep or cause to be kept books or records for the registration of the transfer, conversion and exchange of the Bonds (the "***Registration Books***") at the designated corporate trust or commercial banking office of the Paying Agent/Registrar selected and approved by a Designated Officer pursuant to Section 1(b) hereof. The Paying Agent/Registrar shall serve as the City's registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe, and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Bonds shall be made within three business days after request and presentation thereof. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Bond or Bonds shall be paid as provided in the FORM OF BOND set forth in this Ordinance. Registration of assignments, transfers and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Sections 1201.061 through 1201.067 of the Public Securities Code, Chapter 1201, Texas Government Code, the duty of transfer and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) *Payment of Bonds and Interest*. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/ Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds.

(c) *In General*. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, if any, (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal interest, and (viii) shall be administered and the Paying Agent/Registrar, and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Initial Bond is not required to be, and shall not be, authenticated by the Paying Agent/ Registrar, but on each substitute

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Bond issued in exchange for the Initial Bond issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Bond delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF BOND below, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) *Substitute Paying Agent/Registrar*. The City covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity and shall be an entity registered with the Securities and Exchange Commission. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) *Book-Entry Only System for Bonds*. The Bonds issued in exchange for the Bonds initially issued to the purchaser specified in Section 13 herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("***DTC***"), and except as provided in subsection (i) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("***DTC Participant***") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom

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such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the Ordinance of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(f) *Successor Securities Depository; Transfers Outside Book-Entry Only Systems*. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(g) *Payments to Cede & Co*. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

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(h) *DTC Letter of Representation*. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representation, if necessary, with DTC establishing the book-entry only system with respect to the Bonds.

(i) *Delivery of Initial Bond*. On the closing date, one Initial Bond representing the entire principal amount of the Bonds and, payable in stated installments to the initial registered owner named in Section 13 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and the City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Bonds, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to the initial registered owner or its designee one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity.

SECTION 5. FORM OF BOND. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Bonds initially issued and delivered pursuant to this Ordinance), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

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FORM OF BOND

R-__ **Principal Amount**
$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF LIBERTY
CITY OF LIBERTY, TEXAS
GENERAL OBLIGATION REFUNDING BOND, SERIES 2020

INTEREST RATE	DATE OF SERIES	MATURITY DATE	CUSIP NO.
____%	_____ __, 2020	March 1, 20__	531286 ___

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, the ***CITY OF LIBERTY, TEXAS*** (the "***City***"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "***Registered Owner***") the Principal Amount set forth above, and to pay interest thereon from [_____ __, 2020] [the date of initial delivery of this Bond as shown on the records of the Paying Agent/Registrar defined and identified below], at the Interest Rate per annum specified above, on September 1, 2020, and semiannually on each March 1 and September 1 thereafter to the Maturity Date specified above [or the date of redemption prior to stated maturity]; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such Principal Amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity at the designated corporate trust or commercial banking office (initially located in _____, Texas) of _____, which is the "***Paying Agent/Registrar***" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required

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by the ordinance authorizing the issuance of the Bonds (the "***Bond Ordinance***") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "***Record Date***") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 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 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. The City covenants with the Registered Owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE FOR ANY PAYMENT DUE on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the designated 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.

THIS BOND IS ONE OF A SERIES OF BONDS, dated as of _____ __, 2020, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of *$*_____ ***FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE CITY'S GENERAL OBLIGATION INDEBTEDNESS AND TO PAY FOR COSTS OF ISSUANCE***.

ON MARCH 1, 20__, OR ON ANY DATE THEREAFTER, the Bonds scheduled to mature on and after March 1, 20__, may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part (provided that a portion of such Bond may be redeemed only in an integral multiple of $5,000 in principal amount) at the redemption price equal to the principal amount being called for redemption plus unpaid accrued interest. If less than all of such Bonds are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

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ADDITIONALLY, THE BONDS MATURING on March 1 in the years 20__, 20__, and 20__ (the "***Term Bonds***") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the respective principal amounts shown below:

TERM BONDS MATURING MARCH 1, 20__

Mandatory Redemption Date	Redemption Amount ($)
March 1, 20__	
March 1, 20__	
March 1, 20__ (maturity)	

TERM BONDS MATURING MARCH 1, 20__

Mandatory Redemption Date	Redemption Amount ($)
March 1, 20__	
March 1, 20__	
March 1, 20__ (maturity)	

TERM BONDS MATURING MARCH 1, 20__

Mandatory Redemption Date	Redemption Amount ($)
March 1, 20__	
March 1, 20__	
March 1, 20__ (maturity)	

The principal amount of the Term Bonds required to be redeemed pursuant to the operation of such mandatory redemption requirements may be reduced, at the option of the City, by the principal amount of any such Term Bonds which, prior to the date of the mailing of notice of such mandatory redemption, (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City, or (iii) shall have been redeemed pursuant to the optional redemption provisions described in the preceding paragraph and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 DAYS PRIOR to the date fixed for any redemption of Bonds or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books maintained by the Paying Agent/Registrar on the day such notice of redemption is mailed. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. The notice with respect to an optional redemption of Bonds may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that the City retains the right to rescind

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such notice at any time prior to the scheduled redemption date if the City delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is so rescinded. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is mailed (and not rescinded), and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Bond Ordinance.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Bond Ordinance, this Bond may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange of a Bond during the period commencing with the close of business on any Record Date immediately preceding a principal or interest payment date for such Bond and ending with the opening of business on the next following principal or interest payment date.

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WHENEVER THE BENEFICIAL OWNERSHIP of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT ANY PAYING AGENT/REGISTRAR for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a general obligation of the City, issued on the full faith and credit thereof; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits provided by law.

THE CITY HAS RESERVED THE RIGHT TO AMEND the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING THE REGISTERED OWNER of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

(facsimile signature)	(facsimile signature)
City Secretary, City of Liberty, Texas	Mayor [Pro-Tem], City of Liberty, Texas

(Seal)

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FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC ACCOUNTS:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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 that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

_____
Comptroller of Public Accounts
of the State of Texas

(Comptroller's Seal)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

_____
Paying Agent/Registrar

By_____
Authorized Representative

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FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

_____
/_____/_____
(Assignee's Social Security or Taxpayer Identification) (Print or typewrite Assignee's name and address, including zip code)

and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____
NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

_____
NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

INITIAL BOND INSERTIONS

The Initial Bond shall be in the form set forth above except that:

(A) Immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.

(B) The first paragraph shall be deleted and the following shall be inserted:

"ON THE RESPECTIVE MATURITY DATES specified below, the ***CITY OF LIBERTY, TEXAS*** (the "***City***"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "***Registered Owner***"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from [_____ __, 2020] [the date of initial delivery of this Bond as shown on the records of the Paying Agent/Registrar defined and identified below], at the respective Interest Rates per annum specified below, payable on September 1, 2020, and semiannually on each March 1 and September 1

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thereafter to the respective Maturity Dates specified below. The respective Maturity Dates, Principal Installments and Interest Rates for this Bond are set forth in the following schedule:

MATURITY DATE (MARCH 1)	PRINCIPAL INSTALLMENT ($)	INTEREST RATE (%)
_____	_____	_____
_____	_____	_____
_____	_____	_____

[Insert information from Exhibit A]

(C) The Initial Bond shall be numbered "T-1."

SECTION 6. INTEREST AND SINKING FUND; TAX LEVY; SECURITY INTEREST.

(a) *Interest and Sinking Fund; Tax Levy*. A special "***Interest and Sinking Fund***" is hereby created and shall be established and maintained by the City at an official depository bank of the City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and the principal of said Bonds. Immediately after the issuance and delivery of the Bonds, all accrued interest on the Bonds, together with any premium on the Bonds that is not used by the City to pay costs of issuance in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, shall be deposited to the credit of the Interest and Sinking Fund. In addition, all ad valorem taxes levied and collected for and on account of said Bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. For each fiscal year while any of the Bonds or interest thereon are outstanding and unpaid, the governing body of the City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on the Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of the Bonds as such principal matures (but never less than 2% of the original principal amount of the Bonds as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while any of the Bonds or interest thereon are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the Interest and Sinking Fund created by this Ordinance. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) *Security Interest*. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the ad valorem taxes granted by the City under Section 6(a) of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the ad valorem taxes granted by

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the City under Section 6(a) of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, 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 Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 7. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund shall be secured by the depository bank of the City in the manner and to the extent required by law to secure other public funds of the City and may be invested from time to time in any investment authorized by applicable law, including but not limited to the Public Funds Investment Act (Chapter 2256, Texas Government Code), and the City's investment policy adopted in accordance with the provisions of the Public Funds Investment Act; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date on which such funds will be needed. Income and profits from such investments shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on proceeds which are required to be rebated to the United States of America pursuant to Section 11 hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 8. DEFEASANCE OF BONDS.

(a) *Defeasance*. Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "***Defeased Bond***") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "***Future Deposit Agreement***") for such payment (1) lawful money of the United States of America sufficient to make such payment and/or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. Thereafter, the City will have no further responsibility with respect to amounts available to the Paying Agent/Registrar for the payment of such Defeased Bonds, including any insufficiency therein caused by the failure of the escrow agent under such Future Deposit Agreement to receive payment when due on the Defeasance Securities. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

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(b) *Investment of Funds in Defeasance Securities*. Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Deposit Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) *Definition of Defeasance Securities*. The term "***Defeasance Securities***" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof 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 that, on the date on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements 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.

(d) *Duties of Paying Agent/Registrar*. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) *Selection of Bonds to be Defeased*. In the event that the City elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

SECTION 9. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) *Replacement Bonds*. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) *Application for Replacement Bonds*. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the registered owner thereof to the Paying

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Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the registered owner applying for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) *No Default Occurred*. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) *Charge for Issuing Replacement Bonds*. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) *Authority for Issuing Replacement Bonds*. In accordance with Chapter 1201, Texas Government Code, as amended, this Section of this Ordinance shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

SECTION 10. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS; AND OTHER MATTERS. The Mayor or Mayor Pro-Tem of the City is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel (with an appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City) and the assigned CUSIP numbers may, at the option of the City, be printed on the Bonds issued and delivered under this

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Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

SECTION 11. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS.

(a) *Covenants*. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "***Code***"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the Current Refunded Obligations or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Bonds or the Current Refunded Obligations or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the Current Refunded Obligations or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of $5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a

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materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period of ninety days or less, until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section l.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to bay debt service on another issue more than ninety days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) *Rebate Fund*. In order to facilitate compliance with the covenants set forth in Section 11(a)(9) above, a "***Rebate Fund***" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) *Proceeds*. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the Current Refunded Obligations expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the

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exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the City Manager, the Deputy City Manager, Assistant City Manager, or the Director of Finance of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) *Disposition of Projects*. The City covenants that the property constituting the projects financed or refinanced with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Bonds. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Bonds.

(e) *Written Procedures*. Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the City Council hereby adopts and establishes the instructions attached hereto as *Exhibit D* as the City's written procedures.

SECTION 12. COMPLIANCE WITH RULE 15c2-12.

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

"***EMMA***" means the Electronic Municipal Market Access system being established by the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) 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.

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"***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 through EMMA within six months after the end of each fiscal year ending in or after 2019, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by this Ordinance being the information described in *Exhibit F* hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in *Exhibit F* hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) 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 such period, then the City shall provide (1) unaudited financial statements for such fiscal year within such six month period, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available.

If the City changes its fiscal year, it will notify the MSRB through EMMA 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 paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC.

(c) *Event Notices*.

The City shall file notice of the following events with respect to the Bonds to the MSRB through EMMA in a timely manner and not more than 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),

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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 the holders of the Bonds;

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.

13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into 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;

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, (a) 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 of the City 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 (b) the City intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

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The City shall file notice with 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 subsection.

(d) *Limitations, Disclaimers, and Amendments*. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, 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 notice of any deposit made in accordance with Section 8 of this Ordinance that causes Bonds no longer to be outstanding.

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 comprise 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.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise 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 since such offering 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

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recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(e) *Format, Identifying Information, and Incorporation by Reference*. All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (b) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

SECTION 13. SALE OF BONDS. The Bonds authorized hereunder are hereby authorized to be sold and shall be delivered to the initial purchaser approved by a Designated Officer named in *Exhibit A* attached hereto at a price determined by a Designated Officer and as set forth in *Exhibit A* attached hereto and pursuant to the terms and provisions of a Purchase Contract in the form approved by a Designated Officer, which each Designated Officer is individually hereby authorized and directed to execute and deliver. The City will initially deliver to the initial purchaser the Initial Bond described in Section 2 hereof, which shall be registered in the name of the initial purchaser named in *Exhibit A* attached hereto.

SECTION 14. APPROVAL OF OFFICIAL STATEMENT. The City hereby authorizes the Mayor, the City Manager or the Finance Director of the City to approve the form and content of an Official Statement relating to the Bonds and any addenda, supplement, or amendment thereto, and to approve the distribution of the Official Statement in the reoffering of the Bonds by the Underwriter in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The preparation, distribution and use of a Preliminary Official Statement for the Bonds is also hereby approved.

SECTION 15. APPROVAL OF DEPOSIT AGREEMENT; REFUNDING OF REFUNDED OBLIGATIONS. Concurrently with the initial delivery of the Bonds the City shall deposit an amount from the proceeds from the sale of the Bonds and other available funds of the City, if required, with **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "***Deposit Agent***"), sufficient to provide for the refunding of the Refunded Obligations, all in accordance with Chapter 1207. Attached hereto as *Exhibit F* is a Deposit Agreement between the City and the

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Deposit Agent, which is hereby approved in substantially final form, and the Mayor or Mayor Pro-Tem and City Secretary of the City are hereby authorized, for and on behalf of the City, to approve any changes in the Deposit Agreement from the form attached hereto and to execute the Deposit Agreement in final form.

SECTION 16. REDEMPTION OF REFUNDED OBLIGATIONS. There is attached to this Ordinance as *Exhibit G*, and made a part hereof for all purposes, a *NOTICE OF DEFEASANCE AND REDEMPTION* for the Refunded Obligations. (Each Designated Officer and the City Secretary are authorized to substitute a revised *Exhibit G* to reflect the actual maturities and principal amount of such maturities of the Refunded Obligations that are selected by a Designated Officer to be refunded.) The City hereby exercises its option to redeem prior to maturity the Refunded Obligations described in the *NOTICE OF DEFEASANCE AND REDEMPTION*, and the Refunded Obligations are hereby called for redemption, and shall be redeemed, prior to maturity, on the date, at the place, and at the price set forth therein.

As soon as practicable after the delivery of the Bonds, and in no event less than 30 days prior to the date set for redemption, a copy of the *NOTICE OF DEFEASANCE AND REDEMPTION* shall be sent to all registered owners of the Refunded Obligations by first class mail postage prepaid, addressed to such registered owners at their respective addresses shown on the registration books of the paying agent/registrar for the Refunded Obligations. In addition, as soon as practicable after the issuance and delivery of the Bonds, a copy of the *NOTICE OF DEFEASANCE AND REDEMPTION* shall be filed with the MSRB through EMMA in order to comply with the City's requirements under the Rule to provide notice of the occurrence of certain material events.

SECTION 17. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, Mayor Pro-Tem, City Manager, City Secretary and Finance Director of the City 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 under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Bonds, the Official Statement, the Paying Agent/Registrar Agreement, the Deposit Agreement, and the Purchase Contract. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro-Tem, City Manager, City Secretary, and Finance Director of the City, and Bond Counsel to the City, are hereby authorized and directed to approve any technical changes or correction to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Bonds by the Attorney General's office. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Finance Director of the City is further authorized to pay to the Attorney General of Texas prior to the delivery of the Bonds, for the Attorney General's review of

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the transcript of proceedings related to the Bonds, the amount required pursuant to Section 1202.004, Texas Government Code, as amended.

SECTION 18. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the registered owners of the Bonds, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Bond remains outstanding except as permitted in this Section. The City may, without the consent of or notice to any registered owners, amend, change, or modify this Ordinance as may be required (i) by the provisions hereof, (ii) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the registered owners. The City may, with the written consent of the registered owners of a majority in aggregate principal amount of the Bonds then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Ordinance; provided that without the consent of all of the registered owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Bond over any other Bond, (ii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Bonds required for consent to any such amendment, change, modification, or rescission. Whenever the City shall desire to make any amendment or addition to or rescission of this Ordinance requiring consent of the registered owners, the City shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to the registered owners at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the City shall receive an instrument or instruments in writing executed by the registered owners of a majority in aggregate principal amount of the Bonds then outstanding affected by any such amendment, addition, or rescission requiring the consent of the registered owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Registered Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 19. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owners of the Bonds.

SECTION 20. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Bonds, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants,

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conditions or obligations set forth in this Ordinance and the continuation thereof for 30 days after the City has received written notice of such defaults, the holders of any of the Bonds shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City 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 21. APPROPRIATION TO PAY INTEREST. The City Council hereby finds that, in the event it a Designated Officer approves the payment of interest on the Bonds to begin on September 1, 2020, there are and will be sufficient funds available to pay such interest, and the City Council hereby directs the City Manager and the Finance Director of the City to transfer on or before such date available funds to the Interest and Sinking Fund in an amount sufficient to pay such interest coming due on such date.

SECTION 22. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

SECTION 23. 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 this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 24. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after its adoption by the City Council.

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PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS AT A REGULAR MEETING HELD ON THE 28TH DAY OF JANUARY, 2020, AT WHICH MEETING A QUORUM WAS PRESENT.

_____
Mayor, City of Liberty, Texas

ATTEST:

_____
City Secretary
City of Liberty, Texas

(City Seal)

APPROVED AS TO LEGALITY:

_____
City Attorney
City of Liberty, Texas

** ** ** ** **

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EXHIBIT A

FORM OF APPROVAL CERTIFICATE

CERTIFICATE APPROVING THE FINAL TERMS OF THE BONDS

I, the Finance Director of the **CITY OF LIBERTY, TEXAS** (the "***City***"), pursuant to authority granted by the provisions of Section 1207.007, Texas Government Code, and by the City Council of the City in Section 1(b) of an ordinance approved by the City Council on January 28, 2020, relating to the issuance of the Bonds defined below (the "***Ordinance***"), hereby certify as follows:

1. **GENERAL**. This Certificate is given in connection with the issuance by the City of the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Bonds***") which, pursuant to the Ordinance, have been authorized by the City Council.

2. **DEFINITIONS**. All capitalized terms used in this Certificate which are not otherwise defined herein shall have the same meanings as set forth in the Ordinance.

3. **DATED DATE AND AGGREGATE PRINCIPAL AMOUNT**. The Bonds shall be dated _____ __, 2020, and shall be issued in the aggregate principal amount of ***$***_____.

4. **PRINCIPAL AMOUNTS AND INTEREST RATES**. The Bonds shall (i) mature on the dates and in the respective principal amounts, and (ii) bear interest from _____to their respective date of maturity at the respective interest rates, all as set forth below:

CITY OF LIBERTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020

MATURITY DATE	PRINCIPAL AMOUNT ($)	INTEREST RATE (%)	MATURITY DATE	PRINCIPAL AMOUNT ($)	INTEREST RATE (%)
2021			2026		
2022			2027		
2023			2028		
2024			2029		
2025			2030		

5. **INTEREST ON BONDS**. As provided in Section 4 of the Ordinance and in the FORM OF BOND contained in Section 5 of the Ordinance, interest on the Bonds shall be payable on each March 1 and September 1, commencing on September 1, 2020, until stated maturity or redemption.

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

6. **OPTIONAL REDEMPTION**. [The Bonds maturing on or after March 1, 20__, may be redeemed prior to their scheduled maturities, at the option of the Issuer on March 1, 20__, or on any date thereafter at the redemption price equal to par plus accrued interest to the date fixed for redemption.] [The Bonds are not subject to optional redemption prior to stated maturity.]

7. **MANDATORY SINKING FUND REDEMPTION**. The Bonds maturing on March 1 in the years 20__, 20__, and 20__ (the "***Term Bonds***") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the respective principal amounts shown below:

TERM BONDS MATURING MARCH 1, 20__

Mandatory Redemption Date	Redemption Amount ($)
March 1, 20__	
March 1, 20__	
March 1, 20__ (maturity)	

TERM BONDS MATURING MARCH 1, 20__

Mandatory Redemption Date	Redemption Amount ($)
March 1, 20__	
March 1, 20__	
March 1, 20__ (maturity)	

TERM BONDS MATURING MARCH 1, 20__

Mandatory Redemption Date	Redemption Amount ($)
March 1, 20__	
March 1, 20__	
March 1, 20__ (maturity)	

8. **INITIAL PURCHASER AND PURCHASE PRICE**. The following firm has been selected to serve as the underwriter of the Bonds to purchase the Bonds pursuant to a negotiated underwriting:

_____
(the "Underwriter")

The Bonds shall be sold to the Underwriter at a price equal to ***$***_____ (which amount is equal to par, plus an original issue premium on the Bonds of ***$***_____, less Underwriter's discount of ***$***_____), [plus accrued interest on the Bonds from _____ __, 2020 to the date of delivery] [and no accrued interest]. The Initial Bond shall be registered in the name of _____.

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

9. **DETERMINATION OF DEBT SERVICE SAVINGS**. Pursuant to the Ordinance, the City Council authorized the issuance of the Bonds in order to "*achieve a gross debt service savings and a net present value debt service savings for the benefit of the taxpayers of the City; provided, however, in no event shall Bonds be issued unless the City is able to achieve a net present value debt service savings of at least 4.00% of the principal amount of the Refunded Obligations*." The final terms of the Bonds as set forth in this Certificate have achieved such purpose, for the issuance of the Bonds will result in a gross debt service savings of ***$***_____ and a net present value debt service savings of ***$***_____ (which amount is equal to _____% of the principal amount of the Refunded Obligations), after taking into account _____ in the amount of ***$***_____.

10. **DETERMINATION OF TRUE INTEREST COST RATE**. Pursuant to the Ordinance, the City Council authorized the undersigned, as a Designated Officer, to determine "*the rate of interest to be borne on the principal amount of each such maturity (but in no event to exceed a true interest cost rate of 4.00%) . . .*" The final terms of the Bonds as set forth in this Certificate have achieved such purpose, for the issuance of the Bonds will result in a true interest cost rate of _____%.

11. **SELECTION OF PAYING AGENT/REGISTRAR**. _____ is hereby appointed to serve as the initial Paying Agent/Registrar for the Bonds.

12. **DETERMINATION REQUIRED BY SECTION 1201.022(A)(3), TEXAS GOVERNMENT CODE**. In satisfaction of Section 1201.022(a)(3), Texas Government Code, as authorized by Section 1(d) of the Ordinance, and upon consultation with the City's Financial Advisor, the undersigned hereby determines that the final terms of the Bonds as set forth in this Certificate are in the City's best interests.

[*The remainder of this page intentionally left blank*]

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

APPROVED BY THE FINANCE DIRECTOR OF THE CITY OF LIBERTY, TEXAS ON THE _____ DAY OF _____, 2020 IN ACCORDANCE WITH SECTION 1(b) OF THE ORDINANCE.

_____
Finance Director, City of Liberty, Texas

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT B

FORM OF CERTIFICATE APPROVING
SERIES 2010A CERTIFICATES SELECTED FOR REFUNDING

CERTIFICATE APPROVING SERIES 2010A CERTIFICATES SELECTED FOR REFUNDING

I, the Finance Director of the **CITY OF LIBERTY, TEXAS** (the "***City***"), pursuant to authority granted by the provisions of Section 1207.007(a)(4), Texas Government Code, and by the City Council of the City in Section 1(c) of an ordinance approved by the City Council of the City on January 28, 2020, relating to the issuance of the Bonds defined below (the "***Ordinance***"), hereby certify as follows:

1. This Certificate is given in connection with the issuance by the City of the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Bonds***") which, pursuant to the Ordinance, have been authorized by the City Council.

2. All capitalized terms used in this Certificate which are not otherwise defined herein shall have the same meanings as set forth in the Ordinance.

3. Pursuant to Section 1(c) of the Ordinance, the City Council authorized the undersigned, as the Finance Director of the City, to select all or a portion of the Series 2010A Certificates maturing in the years 2021 through 2030 to be refunded with proceeds of the Bonds. In accordance with such authority, and after consulting with the City's financial advisors, I hereby determine and approve the following Series 2010A Certificates to be refunded with proceeds of the Bonds, which are described as follows:

SERIES 2010A CERTIFICATES TO BE REFUNDED

MATURITY (MARCH 1)	PRINCIPAL AMOUNT MATURING IN YEAR ($)	PRINCIPAL AMOUNT BEING REFUNDED ($)	STATED INTEREST RATE (%)	CUSIP NO. (702316)
2021	265,000	265,000	4.000	KU5
2022	280,000	280,000	4.000	KV3
2023	290,000	290,000	4.000	KW1
2024	295,000	295,000	4.000	KX9
2025	310,000	310,000	4.000	KY7
2026	325,000	325,000	4.000	KZ4
2027	335,000	335,000	4.000	LA8
2028	355,000	355,000	4.000	LB6
2029	365,000	365,000	4.000	LC4
2030	380,000	380,000	4.000	LD2
Totals	3,455,000	3,455,000	***	***

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

APPROVED BY THE FINANCE DIRECTOR OF THE CITY OF LIBERTY, TEXAS ON THE _____ DAY OF _____, 2020, IN ACCORDANCE WITH SECTION 1(c) OF THE ORDINANCE.

_____
Finance Director, City of Liberty, Texas

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT C

FORM OF PAYING AGENT REGISTRAR AGREEMENT

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT AS IT APPEARS ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT D

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bonds, the City's chief financial officer (the "***Responsible Person***"), which currently is the Finance Director of the City, will:

(i) monitor all amounts deposited into a sinking fund or funds (e.g., the Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Bonds does not exceed an amount equal to the debt service on the Bonds in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Bonds for the immediately preceding 12-month period;

(ii) monitor the actions of the Deposit Agent to ensure compliance with the applicable provisions of the Deposit Agreement, including with respect to reinvestment of cash balances;

(iii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and

(iv) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the date of delivery of the Bonds (the "***Issue Date***"), and (B) within 30 days after the date the Bonds are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Bonds the Responsible Person will:

(i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;

(ii) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;

(iii) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

(iv) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;

(v) determine whether, at any time the Bonds are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;

(vi) determine whether, at any time the Bonds are outstanding, the facilities are sold or otherwise disposed of; and

(vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Resolution related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Bonds and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Bonds. If any portion of the Bonds is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding the City's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Bonds. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT E

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 12 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within six months after the end of any fiscal year.

2. All quantitative financial information and operating data with respect to the City of the general type included under the headings "RETIREMENT PLAN" and "INVESTMENT POLICIES - Current Investments" in the Official Statement and in Appendix A of the Official Statement under Tables 1 through 12 and 16 through 19 thereof.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT F

FORM OF DEPOSIT AGREEMENT

THE DEPOSIT AGREEMENT IS OMITTED AT THIS POINT
AS IT APPEARS ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT G

FORM OF NOTICE OF DEFEASANCE AND REDEMPTION

NOTICE OF DEFEASANCE AND REDEMPTION

To the Holders of the
CITY OF LIBERTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010A
(Maturing on March 1 in the years 2021 - 2030)

NOTICE IS HEREBY GIVEN that the City of Liberty, Texas (the "***City***"), in Liberty County, Texas, has deposited cash into an irrevocable escrow account in order to pay, and has legally defeased, the following maturities of the City's outstanding **COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010A**, dated August 15, 2010 (the "***Refunded Obligations***"):

CITY OF LIBERTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION BONDS, SERIES 2010A

MATURITY (MARCH 1)	PRINCIPAL AMOUNT MATURING IN YEAR ($)	PRINCIPAL AMOUNT BEING REFUNDED ($)	STATED INTEREST RATE (%)	CUSIP NO. (702316)
2021	265,000	265,000	4.000	KU5
2022	280,000	280,000	4.000	KV3
2023	290,000	290,000	4.000	KW1
2024	295,000	295,000	4.000	KX9
2025	310,000	310,000	4.000	KY7
2026	325,000	325,000	4.000	KZ4
2027	335,000	335,000	4.000	LA8
2028	355,000	355,000	4.000	LB6
2029	365,000	365,000	4.000	LC4
2030	380,000	380,000	4.000	LD2

NOTICE IS FURTHER GIVEN that all of the Refunded Obligations have been called for redemption on [April 1, 2020] (the "***Redemption Date***") ***at the Redemption Price equal to 100% of par plus accrued interest to the Redemption Date***. The Refunded Obligations shall be redeemed and shall become due and payable on the Redemption Date, and the interest thereon shall cease to accrue from and after the Redemption Date.

NOTICE IS FURTHER GIVEN that the Refunded Obligations will be payable at and should be submitted either in person or by certified mail to the following address:

First Class/Registered/Certified Mail:
The Bank of New York Mellon
Trust Company, N.A.
Institutional Trust Services
P.O. Box 2320
Dallas, Texas 75221-2320

By Overnight or Courier:
The Bank of New York Mellon
Trust Company, N.A.
Institutional Trust Services
2001 Bryan Street, 9th Floor
Dallas, Texas 75201

By Hand:
The Bank of New York Mellon
Trust Company, N.A.
GIS Unit Trust Window
4 New York Plaza, 1st Floor
New York, New York 10004

To avoid a backup withholding tax required by Section 3406 of the Internal Revenue Code of 1986, holders must submit a properly completed IRS Form W-9.

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* THE ABOVE REFERENCED CUSIP NUMBERS ARE PROVIDED FOR THE CONVENIENCE OF THE HOLDERS. NEITHER THE PAYING AGENT NOR THE CITY ARE RESPONSIBLE FOR ANY ERROR OF ANY NATURE RELATING TO THE CUSIP NUMBERS.

Attachment: ORD - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

DRAFT DATE: JANUARY 20, 2020

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT, dated as of _____ __, 2020 (this "***Agreement***"), is by and between the **CITY OF LIBERTY, TEXAS** (the "***Issuer***") and _____, _____, Texas (the "***Bank***"), a national banking association duly organized and operating under the laws of the United States of America.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Securities***"), such Securities to be issued in fully registered form only as to the payment of principal and interest thereon; and

WHEREAS, the Securities are scheduled to be delivered to the initial purchaser thereof on or about March __, 2020; 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 the 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 ONE
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. 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 "Ordinance" (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. 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 Ordinance, a copy of which books and records shall be maintained at the office of the Bank located in the State of Texas or shall be available to be accessed from such office located in the State of Texas.

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

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

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 Schedule A attached hereto for the first year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for municipalities, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

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 TWO
DEFINITIONS

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

"***Bank Office***" means the corporate trust or commercial banking office of the Bank initially located at the following address:

_____
Attention: _____
_____
_____, Texas _____

The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"***Fiscal Year***" means the fiscal year of the Issuer, ending September 30.

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

"***Legal Holiday***" means a day on which the Bank is required or authorized to be closed.

"***Ordinance***" means the resolutions, orders or ordinances of the governing body of the Issuer pursuant to which the Securities are issued, certified by the Secretary or any other officer of the Issuer and delivered to the Bank, together with any pricing certificate executed pursuant thereto.

"***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.

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

"***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 Ordinance).

"***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 Ordinance.

"***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 transfer of the Securities.

"***Stated Maturity***" means the date specified in the Ordinance 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 THREE
PAYING AGENT

SECTION 3.01. DUTIES OF PAYING AGENT. (a) Principal Payments. 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 principal of each Security at its Stated Maturity or Redemption Date, to the Holder upon surrender of the Security to the Bank at the Bank Office.

(b) Interest Payments. 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 preparing and sending checks by United States mail, first class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

(c) Federal Tax Information Reporting. To the extent required by the Code and the Regulations it shall be the duty of the Bank to report to the owners of the Securities and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to back up withholding during each year and the amount of tax withheld, if any, with respect to the payments on the Securities, and (ii) the amount of interest or amount treated as interest, such as original issue discount, on the Securities required to be included in the gross income of the owners thereof for federal income tax purposes.

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 Ordinance.

ARTICLE FOUR
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. If the Bank Office is located outside the State of Texas, a copy of the Security Register shall be kept in the State of Texas. All transfers, exchanges, and replacement 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, in form satisfactory to the Bank, 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 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.

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SECTION 4.02. SECURITIES. The Issuer shall provide an adequate inventory of printed Securities to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities 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 political subdivisions 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.

Unless required by law, 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 Securities to the Issuer in lieu of which or in exchange for which other Securities have been issued, or which have been paid, or will provide a certificate of destruction relating thereto.

SECTION 4.06. MUTILATED, DESTROYED, LOST, OR STOLEN SECURITIES. The Issuer hereby instructs the Bank, subject to the applicable provisions of the Ordinance, 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, or destroyed, lost, or stolen, the Bank, in its discretion, 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 destroyed, lost, or stolen Security, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

to the Bank of the destruction, loss, or theft of such Security, and of the authenticity of the ownership thereof and (ii) 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, or 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 FIVE
THE BANK

SECTION 5.01. DUTIES OF BANK. The Bank undertakes to perform the duties set forth herein and in the Ordinance and agrees to use reasonable care in the performance thereof.

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 as prepared by the Issuer's financial advisor, bond counsel or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the financial advisor or the Issuer as the final closing memorandum. 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 5.02. 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

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

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.

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. MONEY HELD BY BANK. The Bank shall deposit any moneys received from the Issuer into an account to be held in an agency capacity for the payment of the Securities, with such moneys in the account that exceed the deposit insurance, available to the Issuer, provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Funds held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained in the name and for the benefit of the Issuer.

The Bank shall be under no liability for interest on any money received by it hereunder.

Any money deposited with the Bank for the payment 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 Property Code (Unclaimed Property).

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The Bank will comply with the reporting provisions of Chapter 74 of the Property Code with respect to property that is presumed abandoned under Chapter 72 or Chapter 75 of the Property Code or inactive under Chapter 73 of the Property Code.

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 County in the State of Texas where either the Bank maintains an office or the administrative offices 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 located in the State of Texas to determine the rights of any Person claiming any interest herein.

SECTION 5.08. DEPOSITORY TRUST COMPANY 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," effective from time to time, 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.

Section 5.09. Certificate of Interested Parties Form 1295. The Bank represents and warrants that it is exempt from the requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof, and, accordingly, the Bank is not required to file a Certificate of Interested Parties Form 1295 otherwise prescribed thereunder.

SECTION 5.09. 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, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Bank understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SECTION 5.10. NOT A LISTED 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, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf;
https://comptroller. texas. gov/purchasing/docs/iran-list.pdf; or
https://comptroller. texas.gov/purchasing/docs/ftolist.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and 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. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

ARTICLE SIX
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 set forth below:

Issuer: City of Liberty, Texas
1829 Sam Houston
Liberty, Texas 77575

Bank: _____
Attention: _____
_____
_____, Texas _____

SECTION 6.04. EFFECT OF HEADINGS. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SECTION 6.05. SUCCESSORS AND ASSIGNS; MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto. In case any Security shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Security so registered with the same effect as if such successor Bank had itself registered such Security.

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. 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 6.08. ENTIRE AGREEMENT. This Agreement and the Ordinance 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 Ordinance, the Ordinance shall govern.

SECTION 6.09. 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 6.10. TERMINATION. This Agreement will terminate on the date of final payment of the principal of and interest on the Securities to the Holders thereof or may be earlier terminated by either party upon 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. If the 60-day notice period expires and no successor has been appointed, the Bank, at the expense of the Issuer, has the right to petition a court of competent jurisdiction to appoint a successor under the Agreement. 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.

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with 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 6.11. 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]

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

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

_____

By: _____
Title: _____

Attest:

_____
Title: _____

CITY OF LIBERTY, TEXAS

By: _____
Mayor

Address: 1829 Sam Houston
Liberty, Texas 77575

Attest:

_____
City Secretary

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SCHEDULE A

PAYING AGENT/REGISTRAR FEE SCHEDULE

See attached

Attachment: Paying Agent Ag - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

DRAFT DATE: JANUARY 20, 2020

DEPOSIT AGREEMENT

THIS DEPOSIT AGREEMENT, dated as of _____ __, 2020 (this "***Agreement***"), by and between the **CITY OF LIBERTY, TEXAS** (the "***Issuer***") and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "***Bank***"), a national banking association duly organized and operating under the laws of the United States of America and authorized to transact business in the State of Texas, is hereby entered into for the benefit of the Issuer, the Attorney General of Texas, and the owners of the following obligations of the Issuer:

> **CITY OF LIBERTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010A** maturing on March 1 in the years 2021 through 2030 (the "***Refunded Obligations***").

1. The Bank serves as the Paying Agent/Registrar for the Refunded Obligations.

2. The Issuer hereby certifies, and the Bank understands, that the Refunded Obligations have been called for redemption on **APRIL 1, 2020** (the "***Redemption Date***"). The Issuer hereby further certifies, and the Bank hereby further understands, that the Issuer has authorized the issuance of its **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Refunding Bonds***"), for the purpose of providing funds to refund the Refunded Obligations. The Refunding Bonds are scheduled to close on March __, 2020 (the "***Closing Date***").

3. The Bank, in its capacity as Paying Agent/Registrar for the Refunded Obligations, and in reliance on the Sufficiency Certificate prepared by **RBC CAPITAL MARKETS LLC** (the Issuer's financial advisor), acknowledges and confirms that the total amount due on the Redemption Date for the Refunded Obligations is ***$3,210,666.67*** (the "***Redemption Price***"), which amount is calculated as follows:

Refunded Obligations:

Principal of the Refunded Obligations:	$3,200,000.00
Redemption Premium:	0.00
Accrued Interest to Redemption Date:	10,666.67
Total Refunded Obligations Redemption Price:	**$3,210,666.67**

Funds in payment of the Redemption Price will be deposited by the Bank in a special account (the "***Trust Account***"), which is hereby established, upon receipt of such funds from or on behalf of the Issuer on the Closing Date.

4. The Issuer covenants and agrees that it will cause to be deposited with the Bank the amount stated in paragraph 3 on the Closing Date using proceeds of the Refunding Bonds and other available funds of the Issuer, if necessary. The Issuer further covenants and agrees that it will timely pay for all future paying agency services of the Bank as Paying Agent for the Refunded Obligations in accordance with the paying agent fee schedules now or hereafter in effect through the final payment of the Refunded Obligations.

Attachment: Deposit Agreement - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

5. The Bank acknowledges that the fees and expenses due the Bank with respect to the Refunded Obligations to and through their redemption and final payment have been provided for (as set forth above).

6. The Bank shall deposit all funds received from the Issuer for the payment the Refunded Obligations into the Trust Account, to be held in a fiduciary capacity, with such moneys in the account that exceed the deposit insurance available to the Issuer by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for trust accounts until the Redemption Price of the Refunded Obligations has been paid to the owners thereof. Funds on deposit in the Trust Account will not be invested.

7. The Bank will utilize all funds described in paragraphs 3 and 6 solely to pay the principal of and interest on the Refunded Obligations on the Redemption Date

8. The Bank, in its capacity as the Paying Agent for each series of the Refunded Obligations, will cause a written notice of redemption for each respective series of the Refunded Obligations (in substantially the forms attached as *Exhibit E* to the Ordinance) to be sent to each registered owner of the respective series of Refunded Obligations not less than 30 days prior to the Redemption Date in the manner and in accordance with the provisions of the ordinance which authorized the issuance of each respective series of the Refunded Obligations.

9. Concurrently with the sale and delivery of the Refunding Bonds, the Issuer shall pay to the Bank, as a fee for performing the services hereunder and for all expenses incurred or to be incurred by the Bank in the administration of this Agreement, the sum of ***$***_____, the sufficiency of which is hereby acknowledged by the Bank.

10. It is the intention of the Issuer and the Bank that the Bank shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

11. 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, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Bank understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

Attachment: Deposit Agreement - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

12. 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, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf;
https://comptroller. texas. gov/purchasing/docs/iran-list.pdf; or
https://comptroller. texas.gov/purchasing/docs/ftolist.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and 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. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

13. The Bank represents that it is a wholly owned subsidiary of a "publicly traded business entity" within the meaning of Section 2252.908(c)(4), Texas Government Code; therefore, the Bank further represents that it is not required to submit a disclosure of interested parties form to the Issuer in accordance with Section 2252.908(d), Texas Government Code, prior to entering into this Agreement with the Issuer.

[The remainder of this page intentionally left blank]

Attachment: Deposit Agreement - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

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

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By _____
Title _____

CITY OF LIBERTY, TEXAS

By: _____
Mayor

Attest:

_____
City Secretary

Attachment: Deposit Agreement - 2020 Liberty GO Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

DRAFT DATE: JANUARY 20, 2020

$_____

CITY OF LIBERTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020

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CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §
COUNTY OF LIBERTY §
CITY OF LIBERTY §

I, the undersigned City Secretary of the **CITY OF LIBERTY, TEXAS** (the "***City***"), hereby certify as follows:

1. The City Council of the City (the "***City Council***") convened in Regular Meeting on January 28, 2020 (the "***Meeting***"), at the City Hall, and the roll was called of the duly constituted officers and members of the City Council, to wit:

Carl Pickett, Mayor
Diane Huddleston, Mayor Pro Tem
David Arnold, Council Member
Dennis Beasley, Council Member
Libby Simonson, Council Member
Chipper Smith, Council Member
Neal Thornton, Council Member

and all of the officers and members of the City Council were present, except the following absentees: ____ _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written Ordinance No. _____ entitled

ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO $3,000,000 IN PRINCIPAL AMOUNT OF CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, AUTHORIZING THE EXECUTION OF A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT AND OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO, DELEGATING AUTHORITY TO CERTAIN CITY OFFICIALS TO SELECT OUTSTANDING OBLIGATIONS TO BE REFUNDED AND APPROVE ALL FINAL TERMS OF THE BONDS, APPROVING AN OFFICIAL STATEMENT, AND CALLING CERTAIN OBLIGATIONS FOR REDEMPTION

(the "***Ordinance***") was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Ordinance be adopted; and, after due discussion, said motion carrying with it the adoption of the Ordinance, prevailed and carried by the following vote:

AYES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full and correct copy of the Ordinance adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; the Ordinance has been duly recorded in the City Council's minutes of the Meeting; the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Ordinance; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the Meeting and that the Ordinance would be introduced and considered for passage at the Meeting; each of said officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SIGNED AND SEALED the 28th day of January, 2020.

_____

City Secretary, City of Liberty, Texas

(City Seal)

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

GENERAL CERTIFICATE

THE STATE OF TEXAS §
COUNTY OF LIBERTY §
CITY OF LIBERTY §

We, the undersigned, hereby officially certify that we are the Mayor and City Secretary, respectively, of the **CITY OF LIBERTY, TEXAS** (the "***City***"), and we further certify as follows:

1. This Certificate is given for the benefit of the Attorney General of the State of Texas and all parties interested in the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Bonds***"), dated as of _____ __, 2020, and authorized by an ordinance adopted by the City Council of the City on January 28, 2020 (the "***Ordinance***").

2. The City is a duly incorporated Home Rule City, having more than 5,000 inhabitants, operating and existing under the Constitution and laws of the State of Texas and the duly adopted Home Rule Charter of the City, which Charter has not been changed or amended since the passage of the ordinance authorizing the issuance of the most recently dated, issued and outstanding obligations of the City.

3. No litigation of any nature has ever been filed pertaining to, affecting or contesting: (a) the issuance, delivery, payment, security or validity of the proposed Bonds; (b) the authority of the officers of the City to issue, execute and deliver the Bonds; or (c) the validity of the corporate existence or the current Tax Rolls or the Charter of the City; and no litigation is pending pertaining to, affecting or contesting the boundaries of the City.

4. The currently effective ad valorem tax appraisal roll of the City (the "***Tax Roll***") is the Tax Roll prepared and approved during the calendar year 2019, being the most recently approved Tax Roll of the City; that the taxable property in the City has been appraised, assessed, and valued as required and provided by the Texas Constitution and Property Tax Code (collectively, "***Texas law***"); that the Tax Roll for said year has been submitted to the City Council of the City as required by Texas law, and has been approved and recorded by the City Council; and according to the Tax Roll for said year the net aggregate taxable value of taxable property in the City (after deducting the amount of all applicable exemptions required or authorized under Texas law), upon which the annual ad valorem tax of the City has been or will be imposed and levied, is *$2,157,466,681* (which amount reflects the freeze adjusted equivalent taxable assessed valuation).

5. Attached hereto as Exhibit A is a true, full and correct schedule and statement of the aforesaid proposed Bonds, and all presently outstanding tax indebtedness of the City, and attached hereto as Exhibit B is a combined debt service schedule for all outstanding tax indebtedness of the City (including the aforesaid proposed Bonds).

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

6. The City is not in default as to any covenant, condition, or obligation in connection with any of such outstanding obligations (as described in Exhibit A) of the City including obligations being refunded by the Bonds (the "***Refunded Obligations***"), or the ordinances authorizing same.

7. None of the Refunded Obligations have been held in, or purchased for the account of, the Interest and Sinking Fund created and maintained for the benefit of the Refunded Obligations, or purchased with any money collected from any taxes levied for the benefit thereof.

8. The following persons are the duly elected members of the City Council of the City as of the date hereof:

Carl Pickett	Mayor
Diane Huddleston	Mayor Pro Tem
David Arnold	Council Member
Dennis Beasley	Council Member
Libby Simonson	Council Member
Chipper Smith	Council Member
Neal Thornton	Council Member

9. The following person are the duly appointed City Manager, City Secretary and Finance Director of the City as of the date hereof:

Tom Warner	City Manager
Diane Tidwell	City Secretary
Naomi Herrington	Finance Director

10. The City has received all required disclosure filings under Section 2252.908, Texas Government Code, in connection with the authorization and issuance of the Bonds and has notified, or will notify, the Texas Ethics Commission ("***TEC***") of its receipt of such filings by acknowledging such filings in accordance with the provisions of Section 2252.908, Texas Government Code, and 1 Tex. Admin. Code § 46.5(c).

11. With respect to the contracts contained within the transcript of proceedings relating to the Bonds submitted to the Attorney General of Texas that are subject to Subchapter F of Chapter 2252, Texas Government Code, the City has confirmed that none of such counter parties are identified on a list prepared and maintained under Sections 806.051, 807.051 or 2252.153 of the Texas Government Code, to the extent such lists have been prepared and made available for public review as of the date of this Certificate by the appropriate state agency.

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

12. The Public Finance Division of the Attorney General of Texas is authorized to date this Certificate as of the date the Attorney General approves the issuance of the Bonds. If any litigation should develop before the Attorney General approves the Bonds, the City will notify the Attorney General's Public Finance Division immediately by telephone and telecopy. With this assurance the Attorney General can rely upon the absence of any such litigation at the time the Public Finance Division approves the Bonds unless it is advised otherwise.

[The remainder of this page intentionally left blank]

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Executed this _____.

_____
Mayor
City of Liberty, Texas

_____
City Secretary
City of Liberty, Texas

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT A

SCHEDULE OF ALL OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS OF THE CITY OF LIBERTY, TEXAS

THE PROPOSED BONDS

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020, dated _____ __, 2020, to be outstanding in the aggregate principal amount of *$*_____, bearing interest and maturing as set forth in the Ordinance authorizing such Bonds.

ALL PRESENTLY OUTSTANDING TAX INDEBTEDNESS:

TITLE OF OUTSTANDING OBLIGATIONS	DATED DATE	CURRENT OUTSTANDING PRINCIPAL AMOUNT ($)
Combination Tax and Revenue Certificates of Obligation, Series 2007[1]	0701/2007	4,090,000
Combination Tax and Revenue Certificates of Obligation, Series 2010A[1]	08/15/2010	0[2]
Combination Tax and Revenue Certificates of Obligation, Series 2012[1]	04/01/2012	1,300,000
General Obligation Refunding Bonds, Series 2012	10/15/2012	1,380,000
Combination Tax and Surplus Revenue Certificates of Obligation, Series 2016[1]	09/01/2016	6,730,000
TOTAL PRINCIPAL AMOUNT CURRENTLY OUTSTANDING:	***	13,500,000

[1] Security: Limited tax and a lien on the "Surplus Revenues" of the City's Waterworks and Sewer System.
[2] Excludes the Refunded Obligations and such Certificates maturing on March 1, 2020.

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

EXHIBIT B

COMBINED DEBT SERVICE SCHEDULE

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

SIGNATURE IDENTIFICATION AND NO-LITIGATION CERTIFICATE

We, the undersigned Mayor and City Secretary, respectively, of the **CITY OF LIBERTY, TEXAS** (the "***City***"), hereby certify as follows:

(a) This Certificate is executed and delivered with reference to the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020**, dated _____ __, 2020, authorized by an ordinance passed by the City Council of the City on January 28, 2020 (the "***Bonds***").

(b) Each of us signed the Bonds by manually executing or causing facsimiles of our manual signatures to be printed or lithographed on each of the Bonds, and we hereby adopt said facsimile signatures as our own, respectively, and declare that said facsimile signatures constitute our signatures the same as if we had manually signed each of the Bonds.

(c) The Bonds are substantially in the form, and each of them has been duly executed and signed in the manner, prescribed in the ordinance authorizing the issuance thereof.

(d) At the time we so executed and signed the Bonds we were, and at the time of executing this certificate we are, the duly chosen, qualified, and acting officers indicated therein, and authorized to execute and sign the same.

(e) No litigation of any nature has been filed or is now pending or, to our knowledge, threatened, to restrain or enjoin the issuance or delivery of any of the Bonds, or which would affect the provision made for their payment or security, or in any manner questioning the proceedings or authority concerning the issuance of the Bonds, and that so far as we know and believe no such litigation is threatened.

(f) Neither the corporate existence nor boundaries of the City is being contested; no litigation has been filed or is now pending or, to our knowledge, threatened, which would affect the authority of the officers of the City to issue, execute, sign, and deliver any of the Bonds; and no authority or proceedings for the issuance of any of the Bonds have been repealed, revoked, or rescinded.

(g) We have caused the official seal of the City to be impressed, or printed, or lithographed on each of the Bonds; and said seal on each of the Bonds has been duly adopted as, and is hereby declared to be, the official seal of the City.

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Executed and delivered this _____.

MANUAL SIGNATURES	**OFFICIAL TITLES**
_____	Carl Pickett, Mayor
_____	Diane Tidwell, City Secretary

Before me, on this day personally appeared the foregoing individuals, known to me to be the officers whose true and genuine signatures were subscribed to the foregoing instrument in my presence.

Given under my hand and seal of office this _____.

_____
Notary Public

Typed Name _____

(My Commission Expires _____)

(Notary Seal)

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

CLOSING CERTIFICATE OF THE ISSUER

THE STATE OF TEXAS §
COUNTY OF LIBERTY §
CITY OF LIBERTY §

I, the undersigned Finance Director of the **CITY OF LIBERTY, TEXAS** (the "***Issuer***"), acting solely in my official capacity, hereby certify as follows in connection with the issuance of **$_____ CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Bonds***"). This Certificate is being provided pursuant to Section _____ of that certain Purchase Contract, dated _____ __, 2020, between the Issuer and the Underwriter (the "***Contract***"). Capitalized terms used herein without definition are defined in the Contract.

[The remainder to come following the receipt and review of the Purchase Contract]

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Executed as of _____, the date of payment for and delivery of the Bonds.

CITY OF LIBERTY, TEXAS

_____
Finance Director

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

CERTIFICATE OF DEPOSIT AGENT

The undersigned officer of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "***Deposit Agent***"), serving as the Deposit Agent under the *Deposit Agreement* (the "***Deposit Agreement***"), dated as of _____ __, 2020, between the Deposit Agent and the **CITY OF LIBERTY, TEXAS** (the "***City***"), relating to the issuance of the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020**, hereby certifies as follows:

1. The Deposit Agreement was executed on behalf of the Deposit Agent by the persons named below whose offices appear opposite their name, and said persons were at the time of executing the Deposit Agreement, and are now, the duly elected, qualified, and acting incumbent of their respective offices; and the signature appearing after each person's name is the true and correct specimen of such person's genuine signature.

Name	Office	Signature
_____	_____	_____

2. The foregoing officer of the Deposit Agent, by virtue of the authority delegated to such officer by the Board of Directors of the Deposit Agent, is authorized to execute and deliver the Deposit Agreement on behalf of the Deposit Agent and to execute on behalf of the Deposit Agent such other and further documents as may be necessary or incidental to the acceptance and performance thereof as set forth in the Deposit Agreement and to attest any of the foregoing.

IN WITNESS WHEREOF, I have hereunto set my hand this _____.

U.S. BANK NATIONAL ASSOCIATION

By_____
Title:_____

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

CERTIFICATE OF
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
RE: NOTICE OF DEFEASANCE AND REDEMPTION AND PAYING AGENCY FEES

I, the undersigned officer of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "***Bank***"), in connection with the issuance of the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020**, dated _____ __, 2020 (the "***Bonds***"), and the redemption prior to maturity, as further described in the attached Notice of Defeasance and Redemption relating to the defeasance and redemption of the following outstanding obligations (the "***Refunded Obligations***"):

> **CITY OF LIBERTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010A**, dated August 15, 2010, maturing on March 1 in the years 2021 through 2030, inclusive, and currently outstanding in the aggregate principal amount of *$3,200,000*, and

do hereby certify as follows:

1. The Bank is the Paying Agent/Registrar for the Refunded Obligations.

2. The Bank received a copy of the Notice of Defeasance and Redemption with respect to the Refunded Obligations (a copy of which is attached hereto).

3. The Bank promptly will send a copy of the Notice of Defeasance and Redemption with respect to the Refunded Obligations in accordance with the provisions set forth in the ordinance which authorized the issuance of such Refunded Obligations.

4. The Bank acknowledges that the **CITY OF LIBERTY, TEXAS** (the "***City***") has covenanted in the Deposit Agreement related to the Bonds that it will timely pay for all future paying agency services of the Bank as Paying Agent/Registrar (and any other places of payment for the Refunded Obligations) in accordance with the paying agent fee schedule now or hereafter in effect through the final payment of the Refunded Obligations; consequently, the Bank agrees to look only to the City for payment of such fees and reimbursement of such expenses as the Paying Agent/Registrar for the Refunded Obligations and further agrees that in no event will it ever assert any claim or lien against the Trust Account established to defease the Refunded Obligations for any fees for its services, whether regular or extraordinary, as Paying Agent, or in any other capacity, or for reimbursement for any of its expenses.

Executed this _____.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

By _____
Title: _____

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

NOTICE OF DEFEASANCE AND REDEMPTION

To the Holders of the
CITY OF LIBERTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010A
(Maturing on March 1 in the years 2021 - 2030)

NOTICE IS HEREBY GIVEN that the City of Liberty, Texas (the "***City***"), in Liberty County, Texas, has deposited cash into an irrevocable escrow account in order to pay, and has legally defeased, the following maturities of the City's outstanding **COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010A**, dated August 15, 2010 (the "***Refunded Obligations***"):

CITY OF LIBERTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION BONDS, SERIES 2010A

MATURITY (MARCH 1)	PRINCIPAL AMOUNT MATURING IN YEAR ($)	PRINCIPAL AMOUNT BEING REFUNDED ($)	STATED INTEREST RATE (%)	CUSIP NO. (702316)
2021	265,000	265,000	4.000	KU5
2022	280,000	280,000	4.000	KV3
2023	290,000	290,000	4.000	KW1
2024	295,000	295,000	4.000	KX9
2025	310,000	310,000	4.000	KY7
2026	325,000	325,000	4.000	KZ4
2027	335,000	335,000	4.000	LA8
2028	355,000	355,000	4.000	LB6
2029	365,000	365,000	4.000	LC4
2030	380,000	380,000	4.000	LD2

NOTICE IS FURTHER GIVEN that all of the Refunded Obligations have been called for redemption on [April 1, 2020] (the "***Redemption Date***") ***at the Redemption Price equal to 100% of par plus accrued interest to the Redemption Date***. The Refunded Obligations shall be redeemed and shall become due and payable on the Redemption Date, and the interest thereon shall cease to accrue from and after the Redemption Date.

NOTICE IS FURTHER GIVEN that the Refunded Obligations will be payable at and should be submitted either in person or by certified mail to the following address:

First Class/Registered/Certified Mail:
The Bank of New York Mellon
Trust Company, N.A.
Institutional Trust Services
P.O. Box 2320
Dallas, Texas 75221-2320

By Overnight or Courier:
The Bank of New York Mellon
Trust Company, N.A.
Institutional Trust Services
2001 Bryan Street, 9th Floor
Dallas, Texas 75201

By Hand:
The Bank of New York Mellon
Trust Company, N.A.
GIS Unit Trust Window
4 New York Plaza, 1st Floor
New York, New York 10004

To avoid a backup withholding tax required by Section 3406 of the Internal Revenue Code of 1986, holders must submit a properly completed IRS Form W-9.

* THE ABOVE REFERENCED CUSIP NUMBERS ARE PROVIDED FOR THE CONVENIENCE OF THE HOLDERS. NEITHER THE PAYING AGENT NOR THE CITY ARE RESPONSIBLE FOR ANY ERROR OF ANY NATURE RELATING TO THE CUSIP NUMBERS.

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

ESCROW AGENT'S RECEIPT

RELATING TO THE ESCROW AGREEMENT, DATED _____ __, 2020, BETWEEN CITY OF LIBERTY, TEXAS AND U.S. BANK NATIONAL ASSOCIATION

The undersigned, being the Deposit Agent under the Deposit Agreement described above in connection with the issuance of the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Bonds***"), hereby represents and acknowledges receipt of the following:

(i) all cash constituting the escrow deposit as described in paragraph 3 of the Deposit Agreement and in the Sufficiency Certificate described in the Deposit Agreement, which have been deposited in the Trust Account created pursuant to the Deposit Agreement;

(ii) payment in full of all fees and other compensation required to be paid for services as Deposit Agent pursuant to and in full satisfaction of paragraph 9 of the Deposit Agreement; and

(iii) one or more manually executed copies of the Sufficiency Certificate executed by RBC Capital Markets LLC, as the Financial Advisor to the Issuer, with respect to the escrow adequacy for the obligations to be refunded.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

By: _____
Title: _____

Dated: _____

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

January 28, 2020

Texas State Comptroller of Public Accounts
Cash and Securities Management Division
Thomas Jefferson Rusk Building
208 East 10th Street, 2nd Floor
Austin, Texas 78701-2407
Attn: Melissa Popkoff

RE: CITY OF LIBERTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020

Ladies and Gentlemen:

The Attorney General will deliver to you the above-described issue of obligations. At such time as you have registered such obligations, this will be your authority to deliver them to an authorized representative of McCall, Parkhurst & Horton L.L.P. who will deliver said obligations to the Paying Agent/Registrar named in the obligations for delivery to the purchasers thereof.

At the time you have registered the obligations, please deliver three copies of the Attorney General's opinion and the Comptroller's Signature Certificate covering said issue of obligations to a representative of McCall, Parkhurst & Horton L.L.P., or send such documents by overnight courier to Thomas K. Spurgeon and Orlando "Jay" Juarez, Jr., McCall, Parkhurst & Horton L.L.P., 700 N. St. Mary's, Suite 1525, San Antonio, Texas 78205.

Sincerely yours,

CITY OF LIBERTY, TEXAS

_____
Mayor

cc: Attorney General of Texas

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

January 28, 2020

The Attorney General of Texas
Public Finance Division
300 W. 15th Street, 7th Floor
Austin, Texas 78701

RE: CITY OF LIBERTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020

Ladies and Gentlemen:

It is requested that you examine the above issue of obligations and the proceedings authorizing their issuance.

We enclose herewith one signed but undated copy of the Signature Identification and No-Litigation Certificate. Upon approval of the obligations, you are authorized to insert the date of approval in said Signature Certificate. If any litigation should develop before you have approved the obligations, we will notify you at once both by telephone and telecopy. With this assurance you can rely upon the absence of any such litigation at the time you approve the obligations unless we advise you otherwise.

After you have examined the obligations, kindly deliver them to the Office of the Comptroller of Public Accounts of the State of Texas. The Comptroller has received instructions as to disposition of such obligations following their registration.

Sincerely yours,

CITY OF LIBERTY, TEXAS

_____
Mayor

cc: Comptroller of Public Accounts

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

RECEIPT FOR PROCEEDS

The undersigned hereby certifies as follows:

(a) This Receipt for Proceeds is executed and delivered with reference to the **CITY OF LIBERTY, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020** (the "***Bonds***"), dated _____ __, 2020, in the aggregate principal amount of ***$***_____, authorized by an ordinance passed by the City Council of the **CITY OF LIBERTY, TEXAS** (the "***City***") on January 28, 2020.

(b) The undersigned is the duly chosen, qualified, and acting Finance Director and chief financial officer of the City.

(c) The Bonds have been duly delivered to the initial purchaser thereof, namely _____.

(d) The Bonds have been paid for in full by said purchaser concurrently with the delivery of this Receipt, and the City has received, and hereby acknowledges receipt of, the agreed purchase price for the Bonds, being ***$***_____ (which amount is equal to par, plus an original issue premium of ***$***_____, and less a discount retained by the initial purchaser of ***$***_____) [and no accrued interest].

[The remainder of this page intentionally left blank]

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

Executed and delivered this _____.

CITY OF LIBERTY, TEXAS

_____
Finance Director

Attachment: Closing Docs - 2020 Liberty Ref Bonds-1 (4675 : Refunding Bonds Series 2020)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM
Department: Administration
Category: Manufactured Homes

ORDINANCE (ID # 4676) DOC ID: 4676

Department: Inspections

Subject: Expanding the non-manufactured home area.

Background: During the January 14, 2020 City Council Meeting, Mr. & Mrs. DuBose addressed City Council regarding manufactured homes on Lee Tim & Wiggins Road. It was their understanding that this area was within the non-manufactured home zone. A review of previous and the existing non-manufactured home zone map indicates the zone approaches the area but does not include any property along these two roads. To minimize the confusion on where manufactured homes are not allowed, it is recommended the non-manufactured home zone be enlarged to include all the City with the following areas excluded:

1. The Southwest area of the City generally bounded by Washington on the North, FM 2684 on the east, the southern city limits on the south and the Trinity River on the west.
2. Layl Drive and the Avenues (Avenue A to Avenue J) from Hwy 90 to Avenue J.
3. The Minglewood area from Mimosa to Glenn Streets.
4. The Twin Oaks Manufactured Home Subdivision.
5. Industrial Road - Shriver Manufactured Home Park.
6. Beaumont Avenue - Garcia's Manufactured Home Subdivision.

A map of the proposed non-manufactured home zone is enclosed.

Fiscal Impact: NA

Staff Recommendation: Staff recommends approval of the ordinance expanding the non-manufactured home area.

AN ORDINANCE AMENDING SECTION 3.08.032 OF THE CITY OF LIBERTY CODE OF ORDINANCES, RESTRICTING MOBILE HOMES AND MANUFACTURED HOMES WITHIN THE CITY OF LIBERTY; ESTABLISHING AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE OCCASSIONS

WHEREAS, the City of Liberty is a Texas municipal corporation existing under the laws of the State of Texas; and

WHEREAS, the City of Liberty currently has an ordinance restricting the location of mobile homes and manufactured homes within the city limits; and

WHEREAS, the City of Liberty finds it necessary and desirable to amend its Code of Ordinances relative to the allowed locations for placement of manufactured homes and mobile homes.

NOW THEREFORE, BE IT ORDAINED by the City of Liberty, Liberty County, Texas:

SECTION 1. That Article 3.08.032, Location and replacement restrictions, of the Code of Ordinances of the City of Liberty, Texas shall be amended to read as follows:

Sec. 3.08.032. Location and replacement restrictions

(a) Mobile homes are prohibited from being located within the city limits and it shall be unlawful for any person to locate, park, alter or extend any mobile home within the city limits. This prohibition does not apply to mobile homes which were legally permitted and used or occupied as a residential dwelling in the city on January 28, 2020, except that the relocation of such mobile home within the city is prohibited and the replacement of any such mobile home must be no more than ten (10) model years of age older than the current model year, must be at least as large in living space as the prior mobile home, and must satisfy the HUD-Code requirements. This replacement is limited to a one-time replacement after January 28, 2020 if the mobile home is located in a restricted area of the city. Not more than twelve (12) months shall lapse between the time of the removal and the time of replacement in the restricted areas of the city. If more than twelve (12) months shall lapse between the time of the removal and the time of the replacement a new HUD-Code manufactured home shall not be allowed to be placed on the property if said property is in a restricted area of the city. It shall be the owner's responsibility to prove the removal date and the age of the removed mobile home.

(b) The placement of HUD-Code Manufactured homes shall only be allowed after January 28, 2020, in the areas denoted by the map attached hereto as Exhibit "A", as amended, on file in the office of the city secretary, and made a part of this division. Any new or replacement HUD-Code Manufactured home located in the non-restricted area of the city must be no more than ten (10) model years of age older than the current model year, must be at least as large in living space as the prior manufactured home (if replacing an old manufactured home), and must satisfy the HUD-Code requirements.

(c) The prohibition against manufactured homes in the restricted areas of the city does not apply to manufactured homes which were legally permitted and used or occupied as a residential dwelling in the city on January 28, 2020, except that the relocation of such manufactured home to another location within the restricted area of the city is prohibited and the replacement of any manufactured home within the restricted area of the city must be no more than ten (10) model years of age older than the current model year, must be at least as large in living space as the prior manufactured home, and must satisfy the HUD-Code requirements. This replacement is limited to a one-time replacement after January 28, 2020 if the manufactured home is located in a restricted area of the city. Not more than twelve (12) months shall lapse between the time of the removal and the time of replacement. If more than twelve (12) months shall lapse between the time of the removal and the time of the replacement a new HUD-Code manufactured home shall not be allowed to be placed on the property if said property is in a restricted area of the city.

It shall be the owner's responsibility to prove the removal date and the age of the removed manufactured home. It shall be unlawful for any person to alter or extend any manufactured home within the restricted area of the city.

(d) HUD-Code manufactured homes or mobile homes destroyed by fire or other natural disaster may be replaced subject to the parameters in subsections (a), (b) and (c) of this section provided a permit is obtained prior to replacement. A replacement under this subsection shall not constitute the one (1) time replacement under subsections (a) and (c) of this section.

SECTION 2. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of this ordinance.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given as required by law.

SECTION 5. That this ordinance shall take effect from and after the date of its execution.

SECTION 6. That the requirement that this ordinance be read on two separate occasions is waived in accordance with section 3.10 of the home-rule charter.

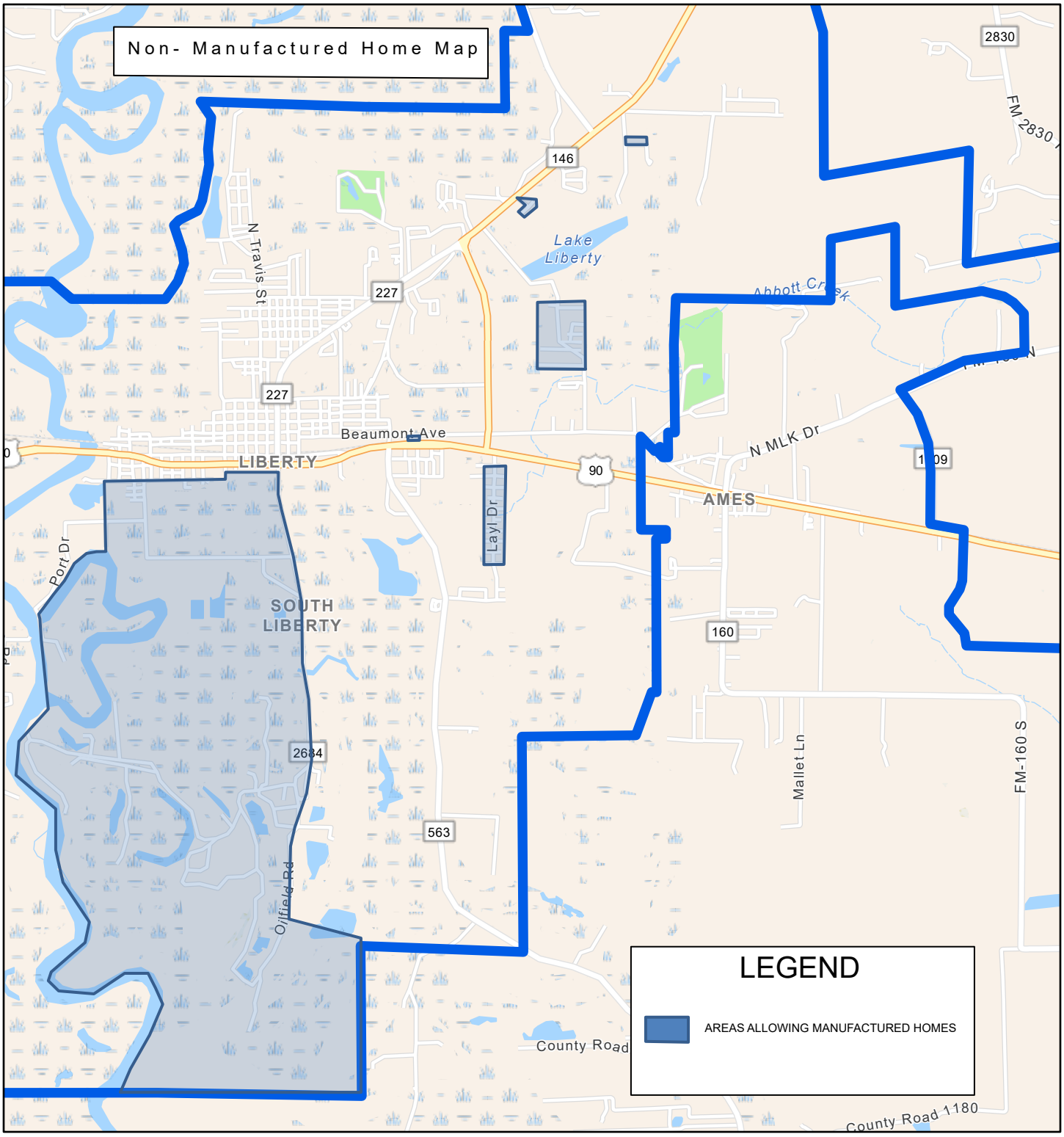
PASSED AND ADOPTED at a regular meeting of the City Council of the City of Liberty, this _____ day of _____, 2020.

_____
Carl Pickett, Mayor

ATTEST:

_____
Dianne Tidwell, City Secretary

CITY OF LIBERTY



Attachment: Non-Manufactured Home Zone Map Jan 2020 (4676 : No Manufactured Home Zone)

1/23/2020, 1:16:36 PM

EXHIBIT A

1:72,224

0 0.5 1 2 mi

0 0.75 1.5 3 km

Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, METI/NASA, USGS, EPA, NPS, US

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM
Department: Administration
Category: Electric Issues

ORDINANCE (ID # 4677)

DOC ID: 4677

Department: Administration

Subject: Entergy 2020 Regulatory Proceedings

Background: Each year, a coalition of cities have joined together through a municipal participation ordinance in regulatory rate proceedings involving Entergy, Texas, Inc. before the Public Utility Commission of Texas. The Steering Committee of Cities have played a crucial role in limiting Entergy's various rate increases to reasonable revenue levels. In 2018, a $117.5 million base rate increase was reduced to $4.3 million. Decreases in the semi-annual fuel filings resulted in savings of $1.80 per month starting in March 2019 and another $3.57 per month in September 2019. Approval of the proposed ordinance will allow the City to continue as a member of the Steering Committee.

Fiscal Impact: N/A

Staff Recommendation: Staff recommends approval of the ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF LIBERTY, TEXAS, AUTHORIZING PARTICIPATION WITH OTHER ENTERGY SERVICE AREA CITIES IN MATTERS CONCERNING ENTERGY TEXAS, INC. AT THE PUBLIC UTILITY COMMISSION OF TEXAS IN 2020; AUTHORIZING THE HIRING OF LAWYERS AND RATE EXPERTS; AUTHORIZING THE CITY'S PARTICIPATION TO THE FULL EXTENT PERMITTED BY LAW AT THE PUBLIC UTILITY COMMISSION OF TEXAS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND DISPENSING WITH THE REQUIREMENT OF SECTION 3.10 OF THE HOME RULE CHARTER THAT THIS ORDINANCNE BE READ ON TWO SEPARATE DAYS

WHEREAS, Cities have exclusive original jurisdiction over rates, operations, and services of an electric utility in areas in the municipality pursuant to *Tex. Util. Code* § 33.001;

WHEREAS, Cities have standing in each case before the Public Utility Commission of Texas that relates to an electric utility providing service in the municipality pursuant to *Tex. Util. Code* § 33.025;

WHEREAS, Entergy Texas, Inc. ("ETI" or "Company") is expected to litigate rate change requests in various proceedings before the Public Utility Commission of Texas or before municipalities in 2020, which may include (1) rate proceedings or cost adjustments such as a transmission cost recovery rider, a distribution cost recovery rider, energy efficiency cost recovery factor, or hurricane restoration cost or offset true-ups, and (2) various fuel cost refunds or surcharges and reconciliations;

WHEREAS, ETI is scheduled to file fuel factor proceedings at the Public Utility Commission in February and August 2020, and may file other fuel proceedings to refund or surcharge fuel charges;

WHEREAS, ETI is scheduled to file a proceeding to recover costs incurred in association with its Energy Efficiency Plan as well as reconcile past costs;

WHEREAS, Cities have the statutory right to set fair and reasonable rates for both the Company and customers within Cities; and

WHEREAS, Cities are entitled to reimbursement by the utility of their reasonable rate case expenses to participate in cases that are deemed rate proceedings pursuant to *Tex. Util. Code* § 33.023.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, that:

SECTION 1. The City of Liberty shall participate with other Cities to intervene in ETI's various rate filings related to the various fuel cost surcharges and reconciliations, any interim or incremental surcharge proceedings or surcharge adjustments, and for any base rate adjustment proceedings or cost of service adjustments on file with the Public Utility Commission of Texas or with municipalities in 2020.

SECTION 2. The City of Liberty employs the Lawton Law Firm P.C. to represent the City with regard to the ETI rate matters before local and Public Utility Commission of Texas and any court of law and authorizes counsel to employ rate experts as are recommended by the Cities' Steering Committee to intervene in fuel or rate related proceedings at the Public Utility Commission concerning ETI's rates charged to Texas customers.

SECTION 3. All such actions shall be taken pursuant to the direction of the Cities' Steering Committee. Cities' Steering Committee shall have authority to retain rate consultants and lawyers. Cities' Steering Committee shall direct the actions of Cities' representatives in the above proceedings. The Steering Committee is directed to obtain reimbursement from ETI of all reasonable expenses associated with participation in said proceedings.

SECTION 4. The meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 5. This Ordinance shall be effective from and after the date of its passage.

SECTION 6. That the requirement contained in Section 3.10 of the Home Rule Charter of the City of Liberty that all ordinances be read on two separate days is hereby dispensed with.

PASSED by _____ vote of the City Council of the City of Liberty, Texas, this 28th day of January, 2020.

THE CITY OF LIBERTY, TEXAS

By: _____
Carl Pickett, Mayor

ATTEST:

_____
Dianne Tidwell, City Secretary

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM
Department: Administration
Category: Fair Housing

ORDINANCE (ID # 4678)

DOC ID: 4678

Department: Community Development

Subject: Fair Housing Ordinance

Background: The City of Liberty's received a Hurricane Harvey Grant from the Texas General Land Office (GLO) to replace the sanitary sewer line from Beaumont Avenue at Texas south to Hwy 90. As a part of the grant the City is required to pass a Fair Housing Ordinance, adopt and distribute Fair Housing Practices, designate a Fair Housing Month and establish a Fair Housing Complaint link on the City's Website. All these requirements are to be implemented prior to April 1, 2020.

Fiscal Impact: NA

Staff Recommendation: Staff recommends approval of the ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS AMENDING CHAPTER 1, GENERAL PROVISIONS, OF THE CITY OF LIBERTY CODE OF ORDINANCES, BY CREATING ARTICLE 1.13 REGULATING FAIR HOUSING IN THE CITY; ESTABLISHING AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE OCCASSIONS

WHEREAS, the City of Liberty is a Texas municipal corporation existing under the laws of the State of Texas; and

WHEREAS, the City of Liberty recognizes the right of every person to have access to adequate housing of a person's own choice without regard to race, color, religion, national origin, handicap or familial status; and

WHEREAS, the City of Liberty further recognizes that the denial of such right through considerations based upon race, color, religion, national origin, sex, handicap or familial status is detrimental to the health, safety and welfare of the inhabitants of the city and constitutes an unjust denial or deprivation of such rights which is within the power and proper responsibility of government to prevent; and

WHEREAS, the City of Liberty finds it necessary and desirable to amend its Code of Ordinances to regulate fair housing within the City's limits.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Liberty, Liberty County, Texas:

SECTION 1. That Chapter 1 of the Code of Ordinances of the City of Liberty, Texas shall be amended by adding Article 1.13 to read as follows:

CHAPTER 1

GENERAL PROVISIONS

ARTICLE 1.13 FAIR HOUSING

Sec. 1.13.001 Declaration of Policy.

A. It is hereby declared to be the policy of the city to bring about, through fair, orderly and lawful procedures, the opportunity for each person to obtain housing without regard to race, color, religion, national origin, sex, handicap or familial status.

B. It is further declared that this policy is based upon a recognition of the right of every person to have access to adequate housing of a person's own choice without regard to race, color, religion, national origin, handicap or familial status; and, further, that the denial of such right through considerations based upon race, color, religion, national origin, sex, handicap or familial status is detrimental to the health, safety and welfare of the inhabitants of the city and constitutes an unjust denial or deprivation of such rights which is within the power and proper responsibility of government to prevent.

Sec. 1.13.002 Definitions.

As used in this division, the following terms shall have the respective meanings ascribed to them:

Administrator. The fair housing administrator as designated in this division, and any authorized representatives.

Discriminatory Housing Practice. An act that is unlawful under Section <https://z2.franklinlegal.net/franklin/doccode%3Dz20000014%26z2collection%3Dbeaumont> 1.13.005, 1.13.006 <https://z2.franklinlegal.net/franklin/doccode%3Dz20000014%26z2collection%3Dbeaumont>or 1.13.007.

Dwelling. Any building, structure or portion thereof which is occupied as, or designed and intended for occupancy as, a residence by one (1) or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure or portion thereof.

Family. Includes a single individual.

To rent. Includes to lease, to sublease, to let and otherwise to grant for a consideration the right to occupy premises not owned.

Sec. 1.13.003 Fair Housing Administrator.

A. The City Manager shall act as administrator or appoint some other competent person as the Fair Housing Administrator, who shall have the responsibility for implementing this

division.

B. The Fair Housing Administrator shall be provided with sufficient staff to perform the duties as required by this division.

Sec. 1.13.004 Exemptions and Exclusions.

A. There shall be exempted from the application of Section 1.13.005:

a. Any single-family house sold or rented by an owner; provided that such private individual owner does not own more than three (3) single-family houses, wherever located, at any one time; provided further that in the case of the sale of any such single-family house by a private individual owner not residing in such house prior to such sale, the exemption granted by this subsection shall apply only with the respect to one such sale within any twenty-four month period; provided further that such bona fide private individual owner does not own any interest in, nor is there owned or reserved on such owner's behalf, under any express or voluntary agreement, title to or any right to all or a portion of the proceeds from the sale or rental of more than three (3) such single-family houses at any one time; provided further, the sale or rental of any such single-family house shall be exempted from the application of Section 1.13.005 only if such house is sold or rented:

i. Without the use in any manner of the sale or rental facilities or services of any real estate broker, agent or salesman, or of such facilities or services of any person in the business of selling or renting dwellings, or of any employee or agent of any such broker, agent, salesman or person; and

ii. Without the publication, posting or mailing of any advertisement or written notice in violation of Section 1.13.005; but nothing in this section shall prohibit the use of attorneys, escrow agents, abstractors, title companies and other such professional assistance as necessary to perfect the transfer of title.

b. The rental of rooms or units in dwellings containing living quarters occupied or intended to be occupied by no more than four (4) families living independently of each other if the owner actually maintains and occupies one of such living quarters as the owner's residence.

B. Nothing in this division shall prohibit a religious organization, or society, or any nonprofit institution or organization operated, supervised or controlled by or in conjunction with a religious organization, association or society, from limiting the sale, rental or occupancy of dwellings which it owns or operates for other than a commercial purpose to persons of the same religion or from giving preference to such persons, unless membership in such religion is restricted on account of race, color, national origin, sex, handicap or familial status.

C. Nothing in this division shall prohibit a private club, not in fact open to the public, which,

as an incident to its primary purpose, provides lodgings which it owns or operates for other than a commercial purpose, from limiting the rental or occupancy of such lodgings to its members or from giving preference to its members.

Sec. 1.13.005 Discrimination in the Sale or Rental of Housing.

Except as exempted by Section 1.13.004, it shall be unlawful for any person:

1. To refuse to sell or rent, after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, national origin, sex, handicap or familial status.

2. To discriminate against any person in the terms, conditions or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, national origin, sex, handicap or familial status.

3. To make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation or discrimination based on race, color, religion, national origin, sex, handicap or familial status or an intention to make any such preference, limitation or discrimination.

4. To represent to any person because of race, color, religion, national origin, sex, handicap or familial status that any dwelling is not available for inspection, sale or rental when such dwelling is in fact so available.

5. To profit, or with the hope or expectation of profit, by inducing or attempting to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, national origin, sex, handicap or familial status.

Sec. 1.13.006 Discrimination in the Provision of Brokerage Services.

It shall be unlawful to deny any person access to or membership or participation in any multiple listing service, real estate brokers' organization or other service, organization or facility relating to the business of selling or renting dwellings, or to discriminate against a person in the terms or conditions of such access, membership or participation, on account of race, color, religion, national origin, sex, handicap or familial status.

Sec. 1.13.007 Discrimination in Financing.

It shall be unlawful for any bank, savings and loan association, insurance company or other corporation, association, firm or enterprise whose business consists in whole or in part in the making of commercial real estate loans to deny a loan or other financial assistance to a person applying therefor for the purpose of purchasing, constructing, improving, repairing or maintaining a dwelling, or to discriminate against any person in the fixing of the amount, interest rate, duration or other terms or conditions of such loan or other financial assistance, because of the race, color, religion, national origin, sex, handicap or familial status of such

person or of any person associated with such person in connection with such loan or other financial assistance, or of the present or prospective owners, lessees, tenants or occupants of the dwelling or a dwelling in relation to which such loan or other financial assistance is to be made or given.

Sec. 1.13.008 Complaints.

A. Any person who claims to have been injured by a discriminatory housing practice or who believes that an irrevocable injury resulting from a discriminatory housing practice is about to occur (hereafter referred to as "person aggrieved") may file a complaint with the administrator. Any complaints shall be in writing and shall identify the person alleged to have committed or alleged to be about to commit the discriminatory housing practice and shall set forth the particulars thereof. The administrator is directed to prepare and adopt from time to time standard complaint forms and to furnish them upon request, without charge, to any person aggrieved. The administrator and employees of that office may assist in the clerical preparation of such complaints.

B. The administrator shall receive and accept notification and referral of complaints from the Secretary of the United States Department of Housing and Urban Development pursuant to the provisions of Title VIII, Fair Housing Act of 1968, Public Law 90-284, and shall treat such complaints in the same manner as complaints filed directly by the person aggrieved.

C. If, in the course of any investigation of a complaint filed with or referred to the administrator, credible evidence is received and the administrator has probable cause to believe that the person or persons named in such complaint have committed a discriminatory housing practice not stated in such complaint, the administrator may prepare and file a supplementary complaint and such supplementary complaint shall thereafter be treated in the same manner as an original complaint filed by a person aggrieved.

D. If at any time the administrator shall receive or discover credible evidence and shall have probable cause to believe that any person has committed a discriminatory housing practice as to which no complaint has been filed, or is about to be filed, the administrator may prepare and file a complaint, and such complaint shall thereafter be treated in the same manner as a complaint filed by a person aggrieved.

E. Upon filing or referral of any complaint, the administrator shall furnish a copy of the same to the persons named in the complaint.

F. A complaint under subsections A, C, and E of this section shall be filed within one hundred eighty (180) days after the alleged discriminatory housing practice occurred. Complaints shall state the facts upon which the allegations of a discriminatory housing practice are based. Complaints may be reasonably or fairly amended at any time. A respondent may file an answer to the complaint, and with the leave of the administrator, which shall be granted whenever it would be reasonable and fair to do so, may amend the answer at any time. A copy of any amendment to a complaint or an

answer shall be furnished to the opposing party. Both complaints and answers shall be signed by the persons making them.

Sec. 1.13.009 Investigation.

A. Upon the filing of a complaint valid on its face as herein provided, the administrator shall cause to be made a prompt investigation of the matter stated in the complaint.

B. In connection with such investigation, the administrator may question and take and record testimony and statements of such persons who appear, and may examine, record and copy documents which are produced.

C. During or after the investigation, the administrator shall, if it appears that a discriminatory housing practice has occurred, or is about to occur, attempt by informal endeavors to effect conciliation, including voluntary discontinuance or rectification of the discriminatory housing practice and voluntary compliance and adequate assurance of future voluntary compliance with the provisions of this division.

D. In the event conciliation is effected, the administrator shall disclose nothing said or done in the course of such conciliation in such a way as to make public identification of the persons named in the complaint without the written consent of the person concerned.

Sec. 1.13.010 Certificate to City Attorney.

Upon completion of the investigation and informal endeavors at conciliation by the administrator, but within thirty (30) days of the filing of the complaint with the administrator, and if the administrator has concluded that a discriminatory housing practice has occurred, and the efforts of the administrator to secure voluntary compliance have been unsuccessful, the administrator may certify in writing to the city attorney that such discriminatory housing practice has occurred and request the city attorney to forthwith prosecute such violation in municipal court.

Sec. 1.13.011 Legal Procedures.

A. Upon certification by the administrator, the City Attorney may institute a charge in municipal court and prosecute the same to final conclusion as rapidly as practicable.

B. It is the intent of this division to increase the available remedies which citizens may have to insure their rights under federal, state or local statutory or case law. Therefore, nothing in this division shall be construed as an administrative prerequisite to a citizen pursing rights under any other federal, state or local statute, case decision or administrative ruling.

Sec. 1.13.012 Education and Public Information.

In order to further the objectives of this division, the administrator may conduct educational and public information programs designed to acquaint the general public with the provisions

and objectives of this division.

Sec. 1.13.013 Cooperation with Secretary of Housing and Urban Development.

The administrator is authorized and encouraged to cooperate with the Secretary of the United States Department of Housing and Urban Development pursuant to the provisions of Title VIII, Fair Housing Act of 1968, Public Law 90-284, and may render such service to the secretary as he shall deem appropriate to further the policies of this division; the city manager may accept reimbursement from the Secretary for services rendered to assist in carrying out the provisions of the above-cited federal law.

Sec. 1.13.014 Unlawful Intimidation.

It shall be unlawful for any person by force or threat of force willfully to injure, intimidate or interfere with any person because of race, color, religion, national origin, sex, handicap or familial status, and because the person is or has been selling, purchasing, renting, financing, occupying or contracting or negotiating for the sale, purchase, rental, financing or occupation of any dwelling, or applying for or participating in any service, organization or facility relating to the business of selling or renting dwellings.

SECTION 2. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of this ordinance.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given as required by law.

SECTION 5. That this ordinance shall take effect from and after the date of its publication in the newspaper in accordance with Texas law.

SECTION 6. That the requirement that this ordinance be read on two separate occasions is waived in accordance with Section 3.10 of the home-rule charter.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Liberty,

this _____ day of _____, 2020.

_____
Carl Pickett, Mayor

ATTEST:

_____
Dianne Tidwell, City Secretary

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM
Department: Administration
Category: Fair Housing

COUNCIL ACTION (ID # 4683)

DOC ID: 4683

Department: Community Development

Subject: Fair Housing Month

Background: The City of Liberty's received a Hurricane Harvey Grant from the Texas General Land Office (GLO) to replace the sanitary sewer line from Beaumont Avenue at Texas south to Hwy 90. In addition to adopting a City's Fair Housing Ordinance as part of the grant requirements, City Council is also required to designate one month as Fair Housing Month. It is requested that February be designated as Fair Housing Month.

Fiscal Impact: NA

Staff Recommendation: Staff recommends designating February as the City's Fair Housing Month.

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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM
Department: Administration
Category: Miscellaneous Issues

ORDINANCE (ID # 4679)

DOC ID: 4679 A

Department: Police

Subject: Game Rooms

Background: In November 2019 City Council held a workshop and subsequently amended the City's Game Room Ordinance. The ordinance was amended to include the definition of a game room as any business establishment that has one amusement redemption machine, the operator and property owner acknowledging the potential penalties for operating an illegal game room, parking space plans, floor plan where machines are to be located, background checks, issuance requirements of permits, administrative suspension and revocation of game room permit, manner of operation of a permitted game room and compliance with this article. The proposed ordinance has been challenged by an attorney representing the retailer of amusement redemption machines. The challenge basically stated that the definition of a game room by State Law is six machines or more. Although the section of the law could be interpreted to apply only to counties, it recommended that the ordinance be amended to reflect State Law until the issue is resolved by the courts. The requirement for permits for establishment of less than six machines has been removed from the ordinance as well as the operator and property owner acknowledging the potential penalties for operating an illegal game room.

Funding Source: N/A.

Staff Recommendation: Staff recommends amending Chapter 4.11 of the Code of Ordinances regulating Game Rooms and Amusement Redemption Machines.

AN ORDINANCE AMENDING CHAPTER 4, BUSINESS REGULATIONS, OF THE CITY OF LIBERTY CODE OF ORDINANCES, BY AMENDING ARTICLE 4.11, DIVISION 3 REGULATING GAME ROOMS IN THE CITY; ADDING DIVISION 4 DEFINING AND REGULATING AMUSEMENT REDEMPTION ESTABLISHMENTS IN THE CITY; ESTABLISHING AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE OCCASSIONS

WHEREAS, the City of Liberty is a Texas municipal corporation existing under the laws of the State of Texas; and

WHEREAS, the City of Liberty currently has an ordinance regulating coin-operated machines and game rooms within the city limits; and

WHEREAS, the City of Liberty finds it necessary and desirable to amend its Code of Ordinances relative to coin operated machines and game rooms within the City limits; and

WHEREAS, the City of Liberty finds it necessary and desirable to amend its Code of Ordinances to define and regulate Amusement Redemption Establishments within the City limits.

NOW THEREFORE, BE IT ORDAINED by the City of Liberty, Liberty County, Texas:

SECTION 1. That Article 4.11, Amusements and Entertainments, of the Code of Ordinances of the City of Liberty, Texas shall be amended to read as follows:

CHAPTER 4

BUSINESS REGULATIONS

ARTICLE 4.11 GAME ROOMS, AMUSEMENT REDEMPTION MACHINES AND AMUSEMENT REDEMPTION ESTABLISHMENTS

Division 1: Generally

Secs. 4.11.001 - 4.11.030 Reserved.

Division 2: Coin-Operated Machines

Sec. 4.11.031 Definitions.

The terms "owner," "operator," "coin-operated machine," "music," "skill or pleasure-operated machine," "service coin-operated machine," "business operator," "general business license," "import license," and "repair license," as used in this ordinance shall have the meanings given to them in the Texas Occupations Code.

Sec. 4.11.032 Occupation tax required.

Every owner or operator who owns, controls, possesses, exhibits, imports, displays, or who permits to be exhibited or displayed in this City, any coin-operated machines which are not exempt from payment by section 4.11.033, shall pay the appropriate annual occupation taxes as provided in section 4.11.034.

Sec. 4.11.033 Machines exempt from tax.

Gas meters, pay telephones, pay toilets and cigarette vending machines, which are subject to any other occupation or gross receipts tax, service coin-operated machines, coin-operated amusement rides for children, and machines used exclusively for the amusement of children are expressly exempt from the provisions of this division.

Sec. 4.11.034 Occupation tax levied.

(a) Levied. There is levied an annual occupation tax equal to the maximum amount of money allowed by the state on coin-operated machines used for recreation or amusement purposes. The occupation tax shall be levied upon the owner of such coin-operated machines, save and except local religious, charitable and educational organizations authorized under the laws of the state; and the tax levied in this section shall be paid to the city, who shall issue an occupation tax receipt and, for each machine on which the occupation tax is paid, an occupation tax tag. The occupation tax shall be due and payable on January 1st of each year. Such occupation tax receipt and tax tag shall specify the number of recreation or amusement machines for which it is used and the address of the legal owner. The occupation tax tag shall be affixed to each machine on which the occupation tax is paid. No tax receipt shall be issued for longer than one (1) year.

(b) Substituting machines. In the event the owner of any of the recreation or amusement machines wishes to substitute a different machine for one within the city on which the occupation tax has been paid, the owner will remove the tax tag from the machine to be replaced and place it upon the substitute machine; provided, however, that the machine that is replaced by the substitute machine shall not be operated for profit within the city again until an occupation tax tag is affixed to it. In the event the tax tag is mutilated, the owner will turn in the mutilated occupation tax tag to the permit department and receive a new tag. There shall be a $6.00 charge for the new tag.

Sec. 4.11.035 Location of machines.

Within each place of business in which recreation or amusement machines are operated for a profit, the machines will be so situated that they will be in full, open public view.

Sec. 4.11.036 Failure to pay occupation tax; liability of damage or removal of seal.

The Chief of Police, or his designee, is authorized to seal any coin-operated machine on which the occupation tax has not been paid. The City is authorized to charge a fee as established in this code for the release of any coin-operated amusement machine that is sealed as provided above for non-payment of the occupation tax. The owner or operator shall be responsible should any seal affixed in the city's name be broken, displaced or removed from the location and be guilty of a class "c" misdemeanor.

Secs. 4.11.037 - 4.11.060 Reserved.

Division 3. Game Rooms

Sec. 4.11.061 Definitions.

For the purpose of this division, the following terms shall have the meanings respectively ascribed to them:

Amusement Redemption Machine. A recreational machine that provides a single user or multiple users with an opportunity to receive something of value other than the right of replay. A

coin-operated amusement machine designed primarily for children is not an Amusement Redemption Machine.

Applicant. A natural person who applies for a Game Room Permit on behalf of a Permittee.

Game Room. A building, facility, or other place that is operated for profit and that contains six or more operational amusement redemption machines.

Operational Machine. A machine that is ready to be played and is accessible to the public.

Permittee. A business entity which has been issued a Game Room Permit or which has been named in a Game Room Permit application as the intended recipient of the Game Room Permit.

Property Owner. The owner of the lot, parcel, tract, or other real estate on which a permittee operates or intends to operate a Game Room.

Scaled Drawing. A drawing that indicates real objects with accurate sizes reduced or enlarged by a certain amount (called the scale). The scale is shown as the length in the drawing, then a colon (":"), then the matching length on the real thing. By way of example, if a drawing has a scale of "1 inch:10 feet" (alternatively written 1″:10′), then anything drawn with the size of 1 inch would have a size of 10 feet in the real world.

Scaled Parking Plan. A scaled drawing that shows a view from above of the entire property, and which indicates the size and distance between streets, compliant parking spaces, driveways, driveway aisles, spaces, sidewalks, ADA compliant handicapped parking spaces, and other elements as required by Section 4.11.062(B) below.

Scaled Floor Plan. A scaled drawing that shows a view from above of entire building, and which indicates the size and distance between rooms, walls, windows, and other elements as required by Section 4.11.062(B) below.

Sec. 4.11.062 Permit.

A. *Permit required.* It is a misdemeanor offense to operate a Game Room within the City without a currently valid Game Room Permit. Every person desiring to operate any Game Room shall make application to the City Manager, or his designee, on a form provided for that purpose, for a Game Room Permit.

1. Game Room Permits shall be issued only to business entities which have been registered and are currently active with the Texas Secretary of State and to whom the Texas Comptroller of Public Accounts has issued a currently valid Texas Tax Identification Number.

2. Game Room Permits shall not be issued to a Permittee unless the application is signed by an Applicant:

    a. who is named in public filings with the Texas Secretary of State as either an officer or a managing member of the Permittee;

    b. who signs the following acknowledgement on the face of the application:

        (1) I am applying for a Permit on behalf of the Permittee and I have actual knowledge of the operation of a Game Room under this permit; I acknowledge that any person operating a Game Room under this permit will do so under my direction and control, and I further acknowledge that I may be held criminally

liable for illegal activity associated with the Game Room under this permit, including gambling, gambling promotion, or keeping a gambling place under Chapter 47 of the Penal Code; operating an unauthorized Game Room under Chapter 4 of the City Code; and other applicable penal statutes.

3. Game Room Permits shall not be issued to a Permittee unless the application is signed by a natural person:

   a. who is:

      (1) the Property Owner or,

      (2) if the Property Owner is a business organization, a natural person who attaches to the application documentary evidence demonstrating that they are authorized to sign the application on behalf of the Property Owner; and

   b. who signs the following acknowledgement on the face of the application:

      (1) I own the property described in this application, and I have actual knowledge of the proposed or current operation of a Game Room on my property. I acknowledge that I may personally be held criminally liable for illegal activity associated with the Game Room on my property, including keeping a gambling place under Chapter 47 of the Penal Code, operating an unauthorized Game Room under Chapter 4 of the City Code, and other applicable penal statutes.

B. *Contents of permit application.* The application for a Game Room Permit to be issued pursuant to this division shall be sworn and shall contain information required by the City Manager, or his designee, on a form provided for that purpose, including:

1. The full and correct business name of the Permittee, as currently filed with the Texas Secretary of State's office;

2. The trade name of the Permittee, if different from the business name on file with the Texas Secretary of State's office;

3. The Texas Tax ID number of the Permittee, as issued by the Texas Comptroller of Public Accounts;

4. All addresses and telephone numbers of the Permittee;

5. The names and dates of birth of each and every officer, managing member, or person who owns twenty percent (20%) or greater interest in the Permittee.

6. A list of all prior criminal convictions of each and every officer, managing member, or person who owns twenty percent (20%) or greater interest in the Permittee, for all felony offenses, and for misdemeanors involving drug offenses, fraud, theft, gambling, or weapons offenses, or offenses against public administration;

7. The address of the premises where the Permittee will operate the Game Room, and the full and correct name of the property owner of such premises as recorded in the deed records of Liberty County;

8. A Scaled Parking Plan drawn on sheets no smaller than 11- by 17-inches, to a minimum scale of one inch to fifty (50) feet, except where variations are approved by the City Manager, or his designee. The site plan shall consist of, at minimum, the following submittals:

a. The name, location, owner, and designer of the proposed development, including the owner's home or business address and telephone number;

b. Date, north arrow, and scale;

c. The locations and dimensions of all property lines, rights-of-way, and easements; and the existing and proposed topographic characteristics of the site;

d. The locations and dimensions of all existing and proposed driveways, parking facilities, maneuvering areas, loading areas, commercial garbage dumpster pads and related screening, sidewalks, curbs, gutters, buildings, structures, screening fences, and other walls and fences, and exterior lighting;

e. Information and calculations necessary to verify compliance with the off-street parking and loading regulations, including land use, gross floor area, gross leasable area, number of dwelling units, seating capacity, projected number of employees and/or any other appropriate data; and

f. All information required to comply with the stormwater drainage master plan, Design Manual and Maps, and the location of any property rights to be dedicated to the City pursuant to said documents.

9. A Scaled Floor Plan of each public space of the game room in which Amusement Redemption Machines may be located during the term of the permit, including the following;

a. The maximum number of Amusement Redemption Machines in each space;

b. The total square footage of the building, and each space within the building;

c. Dimensions of each redemption machine;

d. Location and measurements of entrances and exits;

e. Measured foot traffic pathways/aisles;

f. Location and measurements of office, bathrooms;

g. Number of fixtures, such as HVAC units, sinks, toilets, windows, and walls; and

h. Location and area of any redemption area, snack bar, and/or customer service area.

10. If the premises where the Permittee will operate the Game Room is located within a multiple tenant structure where tenants share collective parking, a list of all tenants in the structure, the use of each leased space in the structure, and the square footage of the structure used by each tenant in the structure; and

11. Each Application shall be accompanied by the following:

a. The fee required by this chapter or separate ordinance; and

b. A copy of a receipt from the Texas Comptroller of Public Accounts showing the total number of Amusement Machines for which the state occupations tax has been paid and for which registration decals have been issued by the Texas Comptroller of Public Accounts for the time period of the relevant permit application.

C. *Background check.*

1. The Chief of Police, or a duly authorized representative, shall investigate the publicly filed business records of the Permittee and the background of all Applicants and each officer, managing member, or owner of twenty percent (20%) or greater interest in the Permittee. The investigation may be completed by the Liberty Police Department or by a third-party vendor approved in advance by the Chief of Police. Any fees associated with the investigation shall be paid by the Applicant. The investigation shall include fingerprinting the individual and a check of the individual's local, state, and national criminal records in accordance with Texas Government Code, Sections 411.087 and 411.122. The investigation shall include making a permanent record of the identity of all individuals described in this paragraph.

2. The City shall deny issuance of a permit if the application or investigation shows any of the following:

    a. The Applicant or an officer, managing member, or owner of 20% or greater interest in the Permittee has been convicted, within the five (5) years preceding the date of the application, of any crime required to be listed on the permit application and not disclosed thereupon, or of a felony, or for gambling, gambling promotion, keeping a gambling house, fraud, theft, an offense against public administration, or another crime that directly relates to the duties and responsibilities of a permittee pursuant to this division;

    b. The permit application includes a false statement by the Applicant;

    c. The City of Liberty has revoked the Applicant's permit of the type requested within the past one (1) year.

    d. The permit application does not meet all the requirements of this ordinance.

D. *Issuance of Game Room Permit to Qualified Applicant.* Once an Applicant is approved for a Game Room Permit, a printed permit form shall be issued to the Permittee. The permit form will be signed by the City Manager, or his designee.

1. The cumulative number of Amusement Redemption Machines allowed to operate or be displayed on the premises of a Permittee shall not exceed the number of off-street parking spaces available to the Permittee on the premises of the permitted Game Room.

2. The cumulative number of Amusement Redemption Machines allowed to operate or be displayed on the premises of a Permittee shall be stated clearly on the face of each Game Room Permit in both letters and numerals, such as "Eighteen (18)"

3. A person commits an offense if the person cumulatively operates or displays more Amusement Redemption Machines on any premises than allowed under the valid Game Room Permit for that premises.

4. For the purpose of this section, any Amusement Redemption Machine that allows more than one person to play simultaneously shall be counted as multiple machines, based on the maximum number of simultaneous players. For example, a machine that is designed to be simultaneously played by up to four players shall be counted as four Amusement Redemption Machines.

E. *Administrative Suspension or Revocation of Game Room Permit.*

1. Suspension. Upon receipt of information tending to show that illegal activities are occurring or have occurred on the premises of a Permittee, the Chief of Police may provisionally suspend a Game Room Permit.

    a. The Chief of Police or designee shall notify the Permittee, the Applicant, and the Property Owner of the provisional suspension by first class mail sent to the addresses listed in the game room permit application. Such notification shall include the date on which the provisional suspension is to begin, a description of the illegal activity alleged to have occurred on the premises, and the date, time, and location of the hearing described below.

    b. The provisional suspension shall not begin before the third calendar day after the notice is placed in the mail.

    c. It is a misdemeanor offense for a Permittee to operate a game room, or for an Applicant or Property Owner to allow the operation of a game room during the provisional suspension of a game room permit.

    d. The Chief of Police, or his designee, shall hold a hearing not earlier than ten (10) days after the notice is placed in the mail, and not later than twenty (20) days after the notice is placed in the mail, at which hearing the Permittee, the Applicant, and the Property Owner may present any relevant information tending to refute the allegations described in the notice. The hearing described in this paragraph is not intended to be a full evidentiary hearing, but rather an opportunity for the Permittee, the Applicant, and the Property Owner to be heard.

    e. Within five (5) business days after the hearing, if a preponderance of the evidence shows that the illegal activity occurred or is occurring on the premises of the Permittee, the Chief of Police shall suspend the Game Room Permit and notify the Permittee, the Applicant, and the Property owner of the suspension. Such suspension is effective immediately and remains in effect until the expiration of the permit so suspended. A Permittee, Applicant, or Property Owner may not submit a new Game Room Permit application during the term of the suspension. If a preponderance of the evidence shows that the illegal activity did not occur and is not occurring, the Chief of Police shall reinstate the Game Room Permit and notify the Permittee, the Applicant, and the Property owner of the reinstatement.

    f. The Applicant, Permittee, or Property owner can appeal the Police Chief's decision to the City Manager. The appeal must be filed, in writing to the City Secretary, within five (5) days after receiving the Police Chief's decision. The City Manager shall then hold an appeal hearing within twenty (20) days of said request for an appeal. The City Manager's determination is final.

2. Revocation. The Chief of Police may revoke a Game Room permit if the Applicant or an officer, managing member, or owner of twenty percent (20%) or greater interest in the Permittee is convicted of any felony, or of any offense involving gambling, fraud, theft, an offense against public administration, or another crime that directly relates to the duties and responsibilities of a permittee pursuant to this division. A Game Room permit can also be revoked for any violation of this ordinance. The Chief of Police shall notify the Permittee, the Applicant, and the Property Owner of the revocation by first class mail sent to the addresses listed in the game room permit application. Such

notification shall include the date on which the revocation is to begin, which shall be no earlier than the third calendar day after the date the notice is placed in the mail.

F. *Expiration date for permits.* Any Game Room Permit shall expire on December 31st of each year and the Permittee will be required to obtain a new permit to be effective January 1st of each year. The applicant shall pay a permit fee as prescribed by separate ordinance, enacted from time to time, copies of which are on file in the City Secretary's office. Each new permit shall be subject to the rules, regulations, ordinances, and codes applicable during that permit year and as such rules, regulations, ordinances and codes may be amended from time to time; no Game Room Permit shall create any vesting of rights in the privileges established during prior permit years.

Sec. 4.11.063 Manner of operation of a permitted game room.

A. At all times during which a Permittee holds a valid Game Room Permit, the Permittee shall display a sign which says "Game Room" on the premises of the permitted game room which

1. Is displayed in a conspicuous manner clearly visible to the public from the entrance of the premises,

2. Appears in contrasting colors with block letters at least four (4) inches in height.

B. At all times during operation of a Game room, a Permittee shall display signs which

1. Are displayed in a conspicuous manner clearly visible to the public,

   a. at each entrance to the Game Room, and

   b. at each location within the Game Room where patrons may collect winnings, and

2. Include written language identical to the following, in English and Spanish: "Gambling is a crime. If you win more than $5.00 per play, you may be arrested and fined $500.00," and "El juego es un crimen. Si usted gana más de $5.00 por jugada, es posible que sea arrestado y deba pagar una multa de $500.00," and

3. Appear in contrasting colors with block letters at least one inch in height.

C. A Permittee shall not cause or allow the following:

1. Permitted game rooms shall have transparent unobstructed windows or open space on at least one (1) side so that the open area is open to view by the general public passing by on a public street or using a corridor, lobby or other room to which the public has access and is admitted without charge. The owner, manager or employee of a game room shall not permit any obstruction of any window by the use of drawn shades, blinds, partitions, tinting or other structures or obstructions.

   a. It is an affirmative defense to prosecution under subsection (C)(2) above that:

      (1) The game room is located in a structure registered as a historic landmark, or the structure is within a historic district and deemed to have architectural or historic significance which would qualify the structure for registration as a historic landmark; and

      (2) Compliance with the unobstructed view requirement would require alterations to the structure that would have a substantially detrimental effect on its historic or architectural features.

2. Allowing any person under the age of eighteen (18) years to play on an amusement redemption machine.

3. Failure to promptly report to the police department any violations of state law or City ordinances committed by employees or patrons on game room premises.

4. Require Game Room memberships for any purpose.

   a. A Game Room shall not restrict entry to a Game Room and/or prohibit the participation in any activity inside a Game Room by a patron through the requirement of a Game Room membership.

   b. Game Rooms shall not issue membership cards to any individual for any purpose.

   c. Game Rooms shall not have, make use of, employ, and/or require check-in procedures of any kind prior to entering or before exiting a Game Room.

5. A Person who operates a Game Room in violation of any section of this ordinance commits an offense. Each person denied entry is considered a separate offense. Each membership card issued is considered a separate offense. Each individual subjected to any check in procedure prior to entering or before exiting a Game Room is considered a separate offense. Each day a violation occurs or continues to occur is considered a separate offense. Any violation of this Subsection is grounds for denial, revocation, or suspension of a Game Room permit.

D. Inspection. Peace Officers, Fire Safety Officials, and designated City Employees are authorized to inspect any business in the city of Liberty for violations of these Regulations. These Regulations do not authorize a right of entry prohibited by law. Peace Officers, Fire Safety Officials, and designated City Employees may enter a business with consent, whether that consent is implied or express, with a warrant, or under exigent circumstances. A Game Room permit issued pursuant to these Regulations gives Peace Officers, Fire Safety Officials, and designated city employees implied consent to enter and to inspect any Game Room for violations of these Regulations.

   1. Any Peace Officer, Fire Safety Official or designated City employee may inspect a permitted Game Room located within the City to determine whether the Game Room is in compliance with this Section.

   2. A Person who does not allow a Peace Officer, Fire Safety Official, or designated City employee to inspect a Game Room commits an offense. Each Peace Officer, Fire Safety Official, and Designated County Employee denied entry is considered a separate violation. Each denial is considered a separate offense. Each day a violation occurs or continues to occur is considered a separate offense.

E. Location of Game Room. Subsequent to the passage of the ordinance from which this division is derived, no game room shall be located within 300 feet of a church, school, or hospital. Any game rooms currently existing within the location restricted areas as of the time of the passage of this division shall be permitted to continue, however, if they should cease operations, or violate any of the provisions of this division or any other applicable city, state or federal law, their permit shall be subject to revocation and such may not be renewed unless they meet all provisions of any applicable law, including the spacing requirements of this section

Sec. 4.11.064 Compliance with Division.

A. A person commits an offense if the person:

1. operates or allows operation of a game room within the City limits without a current, valid Game Room Permit issued by the City;
2. operates a permitted Game Room during the time that the Game Room Permit is provisionally suspended, or revoked;
3. knowingly leases, rents, lets, subleases, or sublets property within the City limits on which a game room operates without a valid Game Room Permit issued by the City;
4. knowingly leases, rents, lets, subleases, or sublets property within the City limits on which a permitted game room operates during the time that the Game Room Permit is provisionally suspended, suspended, or revoked;
5. operates a permitted game room within the City limits without displaying a current Game Room Permit in a conspicuous location within an area of the business accessible to the public;
6. operates a permitted game room within the City limits in any manner that violates the "manner of operation" standards set forth in Section 4.11.063 of this division;
7. forges, alters, or counterfeits a Game Room Permit required by this section; or
8. possesses a forged, altered, or counterfeited Game Room Permit required by this section.
9. allows untaxed and/or unregistered coin-operated machines to be played within the Game Room.
10. violates any section of this division.

B. It is an affirmative defense to prosecution under this section that:

1. The Game Room Owner or Game Room Permit holder is a religious, charitable, or educational organization authorized under state law to operate a game room.

C. An offense under this section is a Class "C" misdemeanor.

Secs. 4.11.065 - 4.11.099 Reserved.

Division 4. Amusement Redemption Establishments

Sec. 4.11.100 Definitions.

For the purpose of this division, the following terms shall have the meanings respectively ascribed to them:

Amusement Redemption Establishment. A building, facility, or other place that is operated for profit by a business or individual and that contains one or more operational amusement redemption machines, but that does not constitute a Game Room, as defined in this Section.

Amusement Redemption Machine. A recreational machine that provides a single user or multiple users with an opportunity to receive something of value other than the right of replay. A

coin-operated amusement machine designed primarily for children is not an Amusement Redemption Machine.

Game Room. A building, facility, or other place that is operated for profit and that contains six or more operational amusement redemption machines.

Operational Machine. A machine that is ready to be played and is accessible to the public.

Sec. 4.11.101 Manner of Operation of an Amusement Redemption Establishment

A. Parking.

1. The cumulative number of Amusement Redemption Machines allowed to operate or be displayed on the premises of an Amusement Redemption Establishment shall not exceed the number of off-street parking spaces available on the premises of the Amusement Redemption Establishment.
2. A person commits an offense if the person cumulatively operates or displays more Amusement Redemption Machines on any premises than allowed for an Amusement Redemption Establishment as defined in this division for that premises.
3. For the purpose of this section, any Amusement Redemption Machine that allows more than one person to play simultaneously shall be counted as multiple machines, based on the maximum number of simultaneous players. For example, a machine that is designed to be simultaneously played by up to four players shall be counted as four Amusement Redemption Machines.

B. At all times during operation of an Amusement Redemption Establishment, signs shall be displayed which

1. Are displayed in a conspicuous manner clearly visible to the public,
   a. at each entrance to the Amusement Redemption Establishment, and
   b. at each location within the Amusement Redemption Establishment where patrons may collect winnings, and
2. Include written language identical to the following, in English and Spanish: "Gambling is a crime. If you win more than $5.00 per play, you may be arrested and fined $500.00," and "El juego es un crimen. Si usted gana más de $5.00 por jugada, es posible que sea arrestado y deba pagar una multa de $500.00," and
3. Appear in contrasting colors with block letters at least one inch in height.

C. An individual or business shall not cause or allow the following:

1. Amusement Redemption Establishments shall have transparent unobstructed windows or open space on at least one (1) side so that the open area is open to view by the general public passing by on a public street or using a corridor, lobby or other room to which the public has access and is admitted without charge. The owner, manager or employee of an Amusement Redemption Establishment shall not permit any obstruction of any window by the use of drawn shades, blinds, partitions, tinting or other structures or obstructions.
   a. It is an affirmative defense to prosecution under subsection (C)(1) above that:

(1) The Amusement Redemption Establishment is located in a structure registered as a historic landmark, or the structure is within a historic district and deemed to have architectural or historic significance which would qualify the structure for registration as a historic landmark; and

(2) Compliance with the unobstructed view requirement would require alterations to the structure that would have a substantially detrimental effect on its historic or architectural features.

2. Allowing any person under the age of eighteen (18) years to play on an amusement redemption machine.

3. Failure to promptly report to the police department any violations of state law or City ordinances committed by employees or patrons on Amusement Redemption Establishment premises.

4. Require Amusement Redemption Establishment memberships for any purpose.

a. An Amusement Redemption Establishment shall not restrict entry to an Amusement Redemption Establishment and/or prohibit the participation in any activity inside an Amusement Redemption Establishment by a patron through the requirement of an Amusement Redemption Establishment membership.

b. Amusement Redemption Establishments shall not issue membership cards to any individual for any purpose.

c. Amusement Redemption Establishments shall not have, make use of, employ, and/or require check-in procedures of any kind prior to entering or before exiting an Amusement Redemption Establishment.

5. A person who operates an Amusement Redemption Establishment in violation of any section of this ordinance commits an offense. Each person denied entry is considered a separate offense. Each membership card issued is considered a separate offense. Each individual subjected to any check in procedure prior to entering or before exiting an Amusement Redemption Establishment is considered a separate offense. Each day a violation occurs or continues to occur is considered a separate offense.

D. Inspection. Peace Officers, Fire Safety Officials, and designated City Employees are authorized to inspect any business in the city of Liberty for violations of these Regulations. These Regulations do not authorize a right of entry prohibited by law. Peace Officers, Fire Safety Officials, and designated City Employees may enter a business with consent, whether that consent is implied or express, with a warrant, or under exigent circumstances.

1. Any Peace Officer, Fire Safety Official or designated City employee may inspect an Amusement Redemption Establishment located within the City to determine whether the Amusement Redemption Establishment is in compliance with this Section.

2. A Person who does not allow a Peace Officer, Fire Safety Official, or designated City employee to inspect an Amusement Redemption Establishment commits an offense. Each Peace Officer, Fire Safety Official, and Designated County Employee denied entry is considered a separate violation. Each denial is considered a separate offense. Each day a violation occurs or continues to occur is considered a separate offense.

Sec. 4.11.102 Compliance with Division.

A. A person commits an offense if the person:

1. operates an Amusement Redemption Establishment within the City limits in any manner that violates the "manner of operation" standards set forth in Section 4.11.101 of this division;
2. allows untaxed and/or unregistered coin-operated machines to be played within the Amusement Redemption Establishment; or
3. violates any section of this division.

B. An offense under this section is a Class "C" misdemeanor.

Secs. 4.11.103 - 4.11.130 Reserved.

SECTION 2. That the provisions of this ordinance are severable and the invalidity of any word, phrase or part of this ordinance shall not affect the validity or effectiveness of the remainder of this ordinance.

SECTION 3. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given as required by law.

SECTION 5. That this ordinance shall take effect from and after the date of its publication in the newspaper in accordance with Texas law.

SECTION 6. That the requirement that this ordinance be read on two separate occasions is waived in accordance with section 3.10 of the home-rule charter.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of

Liberty, this _____ day of _____, 2020.

_____
Carl Pickett, Mayor

ATTEST:

_____
Dianne Tidwell, City Secretary

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Easements

COUNCIL ACTION (ID # 4680)

DOC ID: 4680

Department: Public Works

Subject: Wastewater Treatment Plant Outfall Easement

Background: The City of Liberty has received Hazard Mitigation Grant Program funds to construct a levee and floodwall around the Waste Water Treatment Plant (WWTP). Included in the project is the replacement of the WWTP outfall pipe from the plant to the Trinity River. During the project's preliminary design and environmental review phase, it was determined that the City has a 120' easement from the intersection of Navigation & FM 3361 to the Trinity River. However, most of the easement has been classified as wetlands by the United States Army Corp of Engineers. To avoid having to mitigate any wetlands disturbance, the owner of the property (Mr. Jesse Lopez) in which the easement is located was contacted to determine if he was amenable to an easement relocation. The relocation of the easement to the south would move the proposed route of the WWTP outfall to an area that is not classified as wetlands. Mr. Lopez has agreed to a release of the exiting easement and conveyance of a substitute easement. A copy of the substitute easement is attached.

Funding Source: NA

Staff Recommendation: Staff recommends approval of the Release of Easement and Conveyance of Substitute Easement for the Wastewater Treatment Plant Outfall.

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RELEASE OF EASEMENT
AND CONVEYANCE OF SUBSTITUTED EASEMENT

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LIBERTY §

Statement of Intention. The City of Liberty, Texas is authorized by Texas Local Government Code Section 272.001 to enter into an agreement with an affected owner of property for exchange of an easement interest for a substituted easement. It is the intention of Grantor and Grantee (as those terms are defined below) for the City to abandon and vacate all of its interest in an existing dedicated public utility easement located on that certain Liberty Forge, Inc. called 50.755 acre tract of land, more fully described and recorded in Volume 1576, Page 273 of the Deed Records of Liberty County, Texas, corrected to a called 51.288 acre tract of land, more fully described and recorded in Volume 1642, Page 711 of the Deed Records of Liberty County, Texas (the "**Property**") and more particularly described on the attached Exhibit "A" (the "**Existing Easement**"), in exchange for the conveyance of a substitute 1.570 acre permanent easement being sixty foot (60') in width over and across the Property and more particularly described on the attached Exhibit "B" (the "**Substitute Easement**") to be used for the installation, location, and maintenance of public utilities.

For valuable consideration, the receipt and sufficiency of which is acknowledged, the parties to this Release of Easement and Conveyance of Substituted Easement agree as follows:

Conveyance of Substitute Easement. That Liberty Forge, Inc. (hereinafter referred to as "**Grantor**") has this day GRANTED and CONVEYED and by these presents does hereby GRANT and CONVEY unto the City of Liberty, a municipal corporation and political subdivision of the State of Texas situated in Liberty County, Texas, whose address is 1829 Sam Houston St., Liberty, Liberty County, Texas, 77575 (hereinafter referred to as "**Grantee**") the Substitute Easement.

Purpose of Substitute Easement. The Substitute Easement, and privileges herein granted, shall be used for the installation, location, and maintenance of public utilities in, upon, and across the Substitute Easement.

Release of Existing Easement. Grantee hereby releases and vacates all of its interest and right of use in the Existing Easement.

Inurement. The rights and obligations provided in this Release of Easement and Conveyance of Substituted Easement shall be binding on and shall inure to the benefit of Grantor and Grantee and their respective heirs, executors, administrators, successors and assigns.

Representation. Grantor warrants and represents that it is the sole and only owner of the Property on which the Substitute Easement is located and has full authority to convey the Substitute Easement to Grantee.

Attachment: Release of Easement (4680 : Release of Easement)

IN WITNESS WHEREOF, the Parties have executed this Release of Easement and Conveyance of Substituted Easement.

GRANTOR: LIBERTY FORGE, INC.

BY: _____
Jesse Lopez, President

GRANTEE: CITY OF LIBERTY, TEXAS

BY: _____
Carl Pickett, Mayor

ATTEST:

_____
Dianne Tidwell, City Secretary

Attachment: Release of Easement (4680 : Release of Easement)

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2019, by Jesse Lopez.

_____
Notary Public, State of Texas

Attachment: Release of Easement (4680 : Release of Easement)

THE STATE OF TEXAS §
§
COUNTY OF LIBERTY §

This instrument was acknowledged before me on the ____ day of _____, 2019, by Carl Pickett.

_____
Notary Public, State of Texas

Attachment: Release of Easement (4680 : Release of Easement)

EXHIBIT A

Attachment: Release of Easement (4680 : Release of Easement)

Being a non-exclusive, in common right-of-way and easement for roadway, utility, water and sewer line purposes, along, over and across a strip of land no more than one hundred twenty (120') feet wide, the centerline of which shall be an extension Westerly of the centerline of FM 3361 from its termination point in the West line of Outer Block 40 of the City of Liberty, Texas. The centerline of this right-of-way and easement crosses Navigation Street and continues across that certain Liberty Forge, Inc. called 50.755 acre tract of land, more fully described and recorded in Volume 1576, Page 273 of the Deed Records of Liberty County, Texas, corrected to a called 51.288 acre tract of land, more fully described and recorded in Volume 1642, page 711 of the Deed Records of Liberty County, Texas, at a bearing of North 89° 42' 13" West to the East bank of the Trinity River in the West line of this tract. The width of the final easement shall be limited to that normally required by applicable governmental specifications for the type of roadway and facility to be constructed. Such right-of-way and easement expressly includes and extends to a flared area at the intersection of the West line of Navigation Street, if necessary, comparable to the flared area described in the deed from Bernardine Pickett, et al to State Highway and Public Transportation Department dated August 11, 1977, recorded in Vol. 806, Page 719, Real Property Records of Liberty County, Texas.

Attachment: Release of Easement (4680 : Release of Easement)

EXHIBIT B

Attachment: Release of Easement (4680 : Release of Easement)

BEING a proposed 1.570 acre Permanent Easement being sixty foot (60') in width lying in and being a part of that certain Liberty Forge, Inc. called 50.755 acre tract of land, more fully described and recorded in Volume 1576, Page 273 of the Deed Records of Liberty County, Texas, corrected to a called 51.288 acre tract of land, more fully described and recorded in Volume 1642, Page 711 of said Deed Records. Said proposed 1.570-acre Permanent Easement being situated in the Town of Liberty Survey, Abstract No. 359, Liberty County, Texas. Said 60-foot wide Easement being 30-foot North of and 30-foot South of the centerline being more particularly described as follows:

BEGINNING at a point in the East line of said 51.288 acre tract for the centerline of said Easement, same being the West right-of-way line of Navigation Street (Public R.O.W.), from which a found disk in concrete marking the most Easterly Northeast corner of said 51.288 acre tract, same being in the West right-of-way line of Navigation Street (Public R.O.W.), bears North 03 deg. 39 min. 19 sec. West, a distance of 722.74 feet, and from which a found 1-inch iron pipe marking the Southeast corner of said 51.288 acre tract bears South 03 deg. 39 min. 19 sec. West, a distance of 849.52 feet;

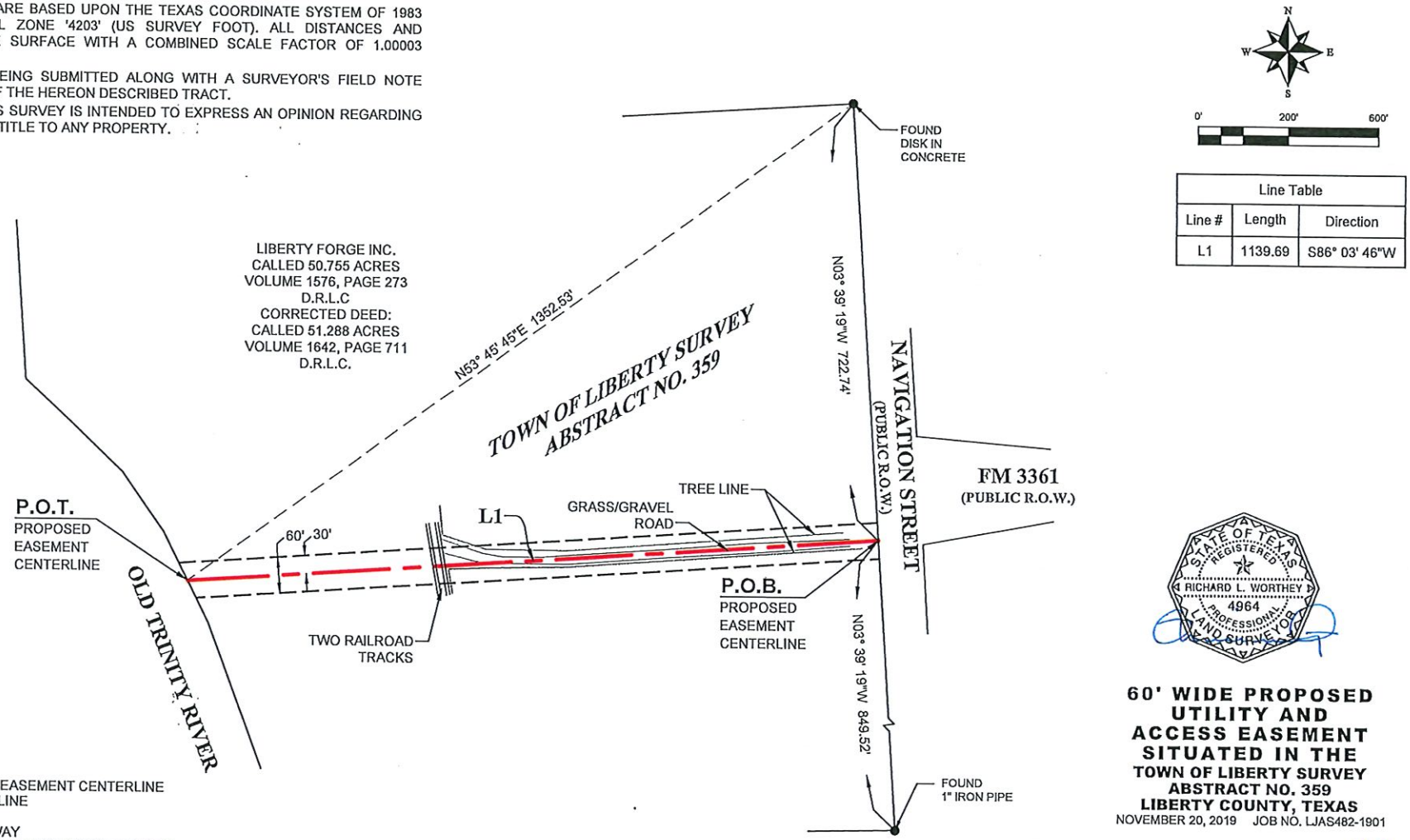
THENCE South 86 deg. 03 min. 46 sec. West, along and with the centerline of said 60 foot wide Easement, a distance of 1139.69 feet to the **POINT OF TERMINATION** of said 60 foot wide Easement in the West line of said 51.288 acre tract, same being on the East bank of the Old Trinity River, from which said found disk in concrete bears North 53 deg. 45 min. 45 sec. East, a distance of 1352.53 feet.

Said centerline being 1139.69 feet (69.07 rods) in length and containing 1.570 acres of land, more or less. Easement lines are to be lengthened or shortened to the property line.

Attachment: Release of Easement (4680 : Release of Easement)

GENERAL NOTES

1. ALL BEARINGS ARE BASED UPON THE TEXAS COORDINATE SYSTEM OF 1983 (2011), CENTRAL ZONE '4203' (US SURVEY FOOT). ALL DISTANCES AND ACREAGES ARE SURFACE WITH A COMBINED SCALE FACTOR OF 1.00003 APPLIED.
2. THIS PLAT IS BEING SUBMITTED ALONG WITH A SURVEYOR'S FIELD NOTE DESCRIPTION OF THE HEREON DESCRIBED TRACT.
3. NOTHING IN THIS SURVEY IS INTENDED TO EXPRESS AN OPINION REGARDING OWNERSHIP OF TITLE TO ANY PROPERTY.



Line Table		
Line #	Length	Direction
L1	1139.69	S86° 03' 46"W

LEGEND

PROPOSED EASEMENT CENTERLINE
PROPERTY LINE
TX TEXAS
R.O.W. RIGHT-OF-WAY
D.R.L.C. DEED RECORDS OF LIBERTY COUNTY
PERM. EASEMENT 68381.30 SQ. FT 1.570 ACRES
DISTANCE ACROSS PROPERTY 1139.69 FEET 69.07 RODS

STATE OF TEXAS
REGISTERED
RICHARD L. WORTHEY
4964
PROFESSIONAL
LAND SURVEYOR

60' WIDE PROPOSED UTILITY AND ACCESS EASEMENT SITUATED IN THE TOWN OF LIBERTY SURVEY ABSTRACT NO. 359 LIBERTY COUNTY, TEXAS

NOVEMBER 20, 2019 JOB NO. LJAS482-1901

LJA SURVEYING, INC.
2615 Calder Ave, Suite 500
Beaumont, Texas 77702
Tel: 409.833.3363
Fax: 409.833.0317
TBPLS Firm No. 10105600

Attachment: Release of Easement-Map (4680 : Release of Easement)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Miscellaneous Issues

ORDINANCE (ID # 4681)

DOC ID: 4681

Department: Solid Waste

Subject: Solid Waste Collection Fees

Background: The change in commercial solid waste collection from twice per week hand throw to once per week automated collection will result in a change to the Master Fee Schedule. Currently, commercial customers receive either hand throw or cart service. The cost for hand throw and cart service is $31.95 and $38.85, respectively. With hand throw no longer being available, those commercial customers will now receive a 96-gallon cart and twice per week automated collection service. The rate for those approximately 140 customers that will move from hand throw to cart service will increase by $6.90 per month. Additionally, any customer that decides they need an additional 96-gallon cart will be charged $6.00 per month.

Fiscal Impact: There will be an increase in solid waste collection revenues from the hand throw class of customers.

Recommendation: Staff recommends approval of the ordinance amending the Master Fee Schedule for Solid Waste Collection fees.

CONSIDER ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS PROVIDING FOR THE AMENDMENT OF THE MASTER FEE SCHEDULE FOR ALL RATES AND FEES CHARGED BY THE CITY OF LIBERTY; PROVIDING FOR A NEW FEE FOR RESIDENTIAL SOLID WASTE COLLECTION CONTAINERS AND CHANGING FROM COMMERICAL ONCE A WEEK PICKUP TO TWICE A WEEK PICKUP ; PROVIDING THAT ALL RATES OR SCHEDULES OF RATES CONFLICTING HEREWITH ARE AMENDED; PROVIDING FOR AN EFFECTIVE DATE; AND DISPENSING WITH THE REQUIREMENT OF SECTION 3.10 OF THE HOME RULE CHARTER THAT ALL ORDINANCES BE READ ON TWO SEPARATE DAYS.

WHEREAS, the City previously adopted a Master Fee Schedule which sets forth all rates and fees charged by the City of Liberty; and

WHEREAS, the City Council finds it more efficient to have the City's fees set in one Ordinance, which can be amended as necessary by Ordinance; and

WHEREAS, the attached "Exhibit A" represents the rates and fees to be charged by the City of Liberty for residential solid waste collection containers and twice-a-week solid waste collection for commercial accounts.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS:

Section 1.

That all rates or schedules of rates which are in conflict herewith are to the extent of such conflict only, expressly amended, changed and repealed.

Section 2.

That the fee schedule attached hereto as "Exhibit A" amends the previous Master Fee Schedule to include the rates shown in "Exhibit A" providing for residential solid waste collection containers and twice-a-week solid waste collection for commercial accounts, and is hereby adopted as fully set forth herein.

Section 3.

That the Ordinance containing all current rates and fees charged by the City of Liberty shall take effect February 1, 2020.

Section 4.

That the requirement contained in Section 3.10 of the Home Rule Charter of the City of Liberty, Texas that all ordinances be read on two separate days is hereby dispensed with.

PASSED AND ADOPTED this the 28th day of January, 2020.

_____

Carl Pickett, Mayor

ATTEST:

_____

Dianne Tidwell, City Secretary

MASTER FEE SCHEDULE

Amended December 10, 2019

Description	Fees

Administration (Cont.)

Fees for Public Information

The City of Liberty fees for providing copies of public information are those fees set forth in the Texa Administrative Code, Title 1, Part 3, Chapter 70.

Solid Waste Fees

Residential Collection Fee per month	$18.2
Each Additional 96 gallon container	$6.0

Each dwelling unit shall be considered a residential establishment even though such dwellir unit may be a part of an apartment or duplex.

Commercial Collection Fee per month

Collection from each commercial establishment shall be as follows:

~~Once-a-week pick-up / 3-32 gallons containers~~	~~$31.9~~
~~Once~~ Twice-a-week pick-up / 1-96 gallon container	$38.8

Refuse Collection from street rights-of-way or alley not previously collected by regular solid waste collection services

Administrative Fee	$10.0
Fee Per Cubic Yard For Removal	$25.0

Utility Fees- Electric

Residential

Minimum charge		$6.0
Total KW minus 50	X	0.03712
Total KW	X	Fuel Adjustmer

These three (3) figures add up to total electricity. Tax is added for a taxable business and rental property.

Commercial

Minimum charge		$21.8
Total KW	X	0.0383
Total KW	X	Fuel Adjustmer

Total Demand charge (if business has a demand)

Tax (if business is taxable)

Demand decimal figure and multiplier can be obtained from the Billing Department. The demand charge based on a multiplier on the account. Take the demand decimal figure for the month and multiply by th multiplier number. Take the figure and subtract 15 from this number. Then multiply this figure by $6.2 to get the total demand dollar amount.

Attachment: Master Fee Schedule Changes (4681 : Master Fee Schedule Amend Ord)

The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 01/28/20 06:00 PM

Department: Administration
Category: Miscellaneous Issues

WORK SESSION (ID # 4682)

DOC ID: 4682 A

Subject: Community Development Advisory Board

Background: In December, 2016 the authority of the Community Development Advisory Board (CDAB) was extended for three years until December 31, 2019, at which time the Board would cease and be disbanded if not extended for an additional period of time. The extension of this Board was inadvertently missed at the end of 2019.

CDAB Mission Statement - To actively promote and provide a plan of action, leadership and involvement in area economic development, tourism, beautification, enhancement and development of the public land within our community. The mission is to further encourage the City and private sector to work together towards this goal, and to offer any recommendations that might improve the quality of life in our City.

This Board consists of 7 City of Liberty residents, which will include one Council Member or member of management and one member will be under the age of 35.

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