



The City of Liberty City Council

Regular Meeting

~ Minutes ~

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

April Gilliland
City Secretary
936-336-3684

Tuesday, May 14, 2024

6:00 PM

City Council Chambers

I. CALL TO ORDER

This meeting was called to order on May 14, 2024 in the City Council Chambers, 1829 Sam Houston Street, Liberty, Texas at 6:00 p.m. by Mayor Carl Pickett.

A.	Attendee Name	Present	Absent	Late	Arrived
	Mayor Carl Pickett	X			
	Mayor Pro Tem Chipper Smith	X			
	Council Member Dennis Beasley	X			
	Council Member / Mayor Pro Tem Libby Simonson	X			
	Council Member / Mayor John Hebert, Jr.	X			
	Council Member Tommy Brents	X			
	Council Member Ed Seymour	X			
	Council Member Ross Ward	X			

II. INVOCATION

No Invocation was given.

III. PLEDGE OF ALLEGIANCE

The Pledge to the American Flag and the pledge to the Texas Flag was led by Mayor Carl Pickett's Grandchildren Lola, Finn, Andy, Bebe and Drewy.

V. PRESENTATIONS / REPORTS

A. Liberty Vindicator to present the 2024 Readers' Choice Award Winners for the City of Liberty.

Liberty Vindicator's Russell Payne presented the 2024 Reader's Choice Award Certificate for Best City Services - City of Liberty Public Works to Public Works Director Damon Jones and the 2024 Reader's Choice Award Certificate for Best Local Elected Official to Mayor Carl Pickett.

VI. CONSENT AGENDA

All consent items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, and if such a request is made, the item will be removed from the Consent Agenda and considered in a normal sequence on the agenda.

A motion was made by Council Member Beasley to approve all items on the consent agenda and seconded by Council Member Seymour. The motion passed 7 to 0 with all present voting yes.

A. Minutes Approval

1. April 9, 2024
2. May 6, 2024

VII. REGULAR AGENDA

A. CONSIDER ADOPTION OF AN ORDINANCE OF THE CITY OF LIBERTY, TEXAS CANVASSING THE RETURNS AND DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION HELD ON MAY 4, 2024; FOR THE PURPOSE OF ELECTING A MAYOR AND THREE COUNCIL MEMBERS TO THE LIBERTY CITY COUNCIL; PROVIDING FOR AN EFFECTIVE DATE.

A motion was made by Council Member Simonson to adopt the Ordinance Canvassing the returns and declaring the results of the General municipal election held on May 4, 2024, for the purpose of electing a Mayor and Three (3) Council Members to the Liberty City Council and seconded by Council Member Beasley. The motion passed 7 to 0 with all present voting yes.

B. Oath of Office to be administered to Mayor and Council Members.

Mayor Carl Pickett, administered the oath of Mayor to newly elected Mayor John Hebert, Jr. and the oath of Council Members to newly elected Council Member Ross Ward and returning Council Members Ed Seymour and Tommy Brents. After completion of the new Oaths of Office, the elected Members of Council were seated and Council Member Smith and Mayor Pickett were excused from the meeting.

VIII. PRESENTATIONS / REPORTS

A. City Manager's Report - City Manager Tom Warner - Topics include - April/May 2024 Flood, Houston-Galveston Area Council Training, Tax Strike Off Transactions, Park Master Plan, Water System, Golf Course, Forest Hills Water Main Improvements, and Electrical Projects.

City Manager Tom Warner reported on the following updates:

- 2024 Flood Overview
- H-GAC Workshop for newly elected officials
- LCCAD Tax Strike Off Transactions
- Parks Master Plan
- TCEQ Water System Inspection
- Golf Course
- Water Issues
- Capital Improvement Program - Electrical Projects

B. Finance Report - Assistant City Manager/CFO Naomi Herrington

Assistant City Manager / CFO Naomi Herrington reported on the City's financials as of March 31, 2024.

C. Department Reports

Monthly reports are submitted by departments and are attached to the agenda for the council to review and to comment on or ask questions that they may have.

D. Sam Rayburn Municipal Power Agency - Mayor Pickett

Mayor Hebert, Board Member of the Sam Rayburn Municipal Power Agency, stated that the meeting for SRMPA is held on the third Tuesday of each month in Livingston. There was no meeting last month. The City of Jasper appointed a new board member, Lequin Hidebrandt. Carl Pickett will remain on the SRMPA Board.

E. Mayor, Council and Staff Comments

City Manager Tom Warner Congratulated Amber Ursprung on being promoted to Head Librarian.

IX. REGULAR AGENDA

A. Regular Session

1. Council to elect a Mayor Pro Tem.

A motion was made by Council Member Seymour to elect Council Member Simonson as Mayor Pro Tem and was seconded by Council Member Brents. The motion passed 5 to 0, with Council Member Simonson abstaining.

2. AN ORDINANCE BY THE CITY OF LIBERTY, TEXAS AUTHORIZING THE SETTLEMENT OF CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS'S STATEMENT OF INTENT TO INCREASE RATES IN THE HOUSTON, TEXAS COAST, SOUTH TEXAS, AND BEAUMONT/EAST TEXAS DIVISIONS, FILED OCTOBER 30, 2023; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

The following information is an update, provided by the Lawton Law Firm (Consultant), on the status of CenterPoint's statement of intent to increase rates in the Beaumont/East Texas Service Area, which also included a request to consolidate its Houston, Texas Coast, South Texas, and Beaumont/East Texas Divisions into a single Texas Division. Under the Company's original consolidation proposal, its Houston and Texas Coast Divisions would have received a substantial rate increase while the Beaumont/East Texas and South Texas Divisions would have received a rate decrease. The parties in the Railroad Commission proceedings have reached a settlement agreement that greatly reduces the Company's requested revenue increase and is expected to result in a more equitable bill impact for customers statewide.

CenterPoint agreed to a revenue requirement increase of \$5 million rather than the original requested revenue requirement increase of \$38.8 million. Other key components of the proposed settlement include:

- No rate increases for customers in the Beaumont/East Texas Service Area. The \$5 million increase will be absorbed mainly by the Houston and Texas Coast Divisions.
- No formal consolidation of service divisions.
- 9.8% rate of return on equity, as opposed to CenterPoint's requested 10.5%. In addition to lowering base rates, this change will lessen the impact of future annual GRIP adjustments.

- New rates go into effect in December 2024 rather than the current effective date of June 25, 2024.

The Consultant balanced the costs and benefits of settlement versus continued litigation risk. They evaluated the strength of CenterPoint's revenue increase request compared to the litigation issues and proposed adjustments raised by the various city groups. Based on precedent, an expected significant downward adjustments to the Company's request. This downward assessment is supported by CenterPoint's agreement to settle for \$5.0 million versus the requested \$38.8 million request. Any reductions to CenterPoint's \$38.8 million revenue requirement request would also decrease the Beaumont/East Texas Service Area's projected rate reduction such that the final litigated result would be a probable no rate change for Beaumont and East Texas customers.

The Company is not expected to file another base rate case until 2029, so the agreed-upon rates will stay in place for at least the next five years. In the interim, the only rate changes expected to occur will be annual GRIP adjustments to the customer charge and adjustments for changes in gas market commodity costs. Given the above, the consultant recommends the city approve the proposed settlement agreement as detailed above. This will ensure that the Beaumont/East Texas Service Area rates remain unchanged from current rate levels.

A motion was made by Council Member Simonson to adopt the Ordinance authorizing the settlement of CenterPoint energy resources and seconded by Council Member Brents. The motion passed 6 to 0 with all present voting yes.

3. AN ORDINANCE APPROVING AN AMENDMENT TO THE CITY OF LIBERTY'S FISCAL YEAR 2023 – 2024 BUDGET BY AMENDING THE PERSONNEL SCHEDULE FOR THE LIBERTY POLICE DEPARTMENT.

The Fiscal Year 2023-2024 personnel schedule for the Police Budget includes twenty-eight (28) positions. The Police Department personnel schedule includes the Chief, two Lieutenants, three detectives, two patrol sergeants, nine patrol officers, one patrol corporal, a dispatch supervisor, six dispatchers, an administrative assistant and two humane officers. The proposed budget amendment will add the position of captain to the personnel schedule with a salary range of \$84,198.72 to \$98,135.31. In addition to assisting the Chief with the supervision and day-to-day activities of the Department, the Captain's duties will include, but not limited to, preparation of equipment specifications and bidding, Texas Commission On Law Enforcement training mandates, audits, weekly video review compliance, assist with Texas Police Chiefs Association monthly reports, tracking of building and equipment maintenance, quarterly racial profiling review/yearly report assistance, research and budget preparation assistance and help with Regional Organized Crime Information Center intel review.

A motion was made by Council Member Simonson to adopt the ordinance approving an amendment to the fiscal year 2-23-2024 budget amending the police department personnel budget schedule and seconded by Council Member Beasley. The motion passed 6 to 0 with all present voting yes.

4. A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, A HOME RULE MUNICIPALITY EXISTING UNDER THE LAWS OF THE STATE OF TEXAS, AMENDING THE PRICING OF THE CONTRACT WITH TEXAS ELITE UTILITY SERVICES, LLC.

In March 2019, the City Council awarded a contract for Electric System Operations and Maintenance Services to Texas Elite Electrical Services. In April, 2019, the contract was assigned to Texas Elite Utility Services. The agreement is for a base period of three years and

can be renewed for a two (2) term provided both parties agree to all terms, conditions and specifications. The City may exercise another extension for an additional two (2) years.

Additionally, the contract includes a provision for a change in pricing for the renewal period. The change in pricing may be adjusted by an amount not to exceed the percentage increase in the Consumer Price Index for Urban Customers (CPIU) for the Liberty, Texas area for the latest twelve (12) month period for which the information has been completed. In April 2022, City Council increased a pricing increase of 7% for the last two-year renewal period. The CPIU during the previous 12 months prior to this renewal was 7.8%. The increase in the CPIU for the Houston area, during the last twelve months, has increased by 3.5%. Texas Elite Utility Services is requesting a 3% increase for both labor and equipment for this two (2) year renewal period.

A motion was made by Council Member Brents to approve the resolution amending the pricing of the contract with Texas Elite Utility Services, LLC. and seconded by Council Member Ward. The motion passed 5 to 0 with Council Member Simonson abstaining.

5. A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, A HOME RULE MUNICIPALITY EXISTING UNDER THE LAWS OF THE STATE OF TEXAS, APPROVAL OF THE LIBERTY COUNTY APPRAISAL DISTRICT RESOLUTION #270.

The Board of Directors of the Liberty County Central Appraisal District (CAD) have discussed the remodeling of the CAD office at 303 Fannin Street for an amount not to exceed \$550,000.00. The funds utilized for the remodel will be paid out of the CAD's Real Estate Reserve Fund and their current year's budget. The Real Estate Fund was created strictly for real estate purposes and cannot be utilized for any other projects. The CAD currently has \$513,459.00 available in the real estate fund and any additional needed funds would come directly from the CAD's current year's budget. The CAD is requesting the City of Liberty's support for this project.

A motion was made by Council Member Simonson to approve the resolution approving the Liberty County appraisal District Resolution #270 and seconded by Council Member Beasley. The motion failed by a 3 to 3 vote.

6. A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, A HOME RULE MUNICIPALITY EXISTING UNDER THE LAWS OF THE STATE OF TEXAS, AUTHORIZING THE PURCHASE OF EIGHT (8) RECLOSERS FOR THE ELECTRICAL SYSTEM.

Reclosers are widely used in transmission and distribution systems. The purpose of reclosers is mainly to increase system reliability by isolating only the fault part of the power system. Unlike fuses, reclosers can automatically re-energize the line following a trip operation from a transient or temporary fault.

In medium voltage distribution systems, overhead power lines are very common. Most faults on these lines are either transient, resulting from lightning-induced transient high voltage, or temporary, as a result of contact with foreign objects such as animal contact or vegetation with i.e. falling tree branches or momentary tree contact caused by the wind.

The installation location of the eight reclosers, one on each feeder, is currently being determined. The cost of the reclosers is \$24,740.00 each for a total of \$197,920.00 with an estimated delivery time of 18–20 weeks.

A motion was made by Council Member Brents to approve the resolution authorizing the purchase of eight (8) reclosers for the electrical system and seconded by Council Member Simonson. The motion passed 6 to 0 with all present voting yes.

B. Executive Session

At 7:05p.m., Mayor Hebert closed the open meeting and opened the Executive Session as authorized by Title 5, Chapter 551 of the Texas Government Code.

1. Texas Government Code §551.071 - Private Consultation with Attorney

Discussion with attorney regarding contemplated/pending litigation and/or regarding matters protected by attorney/client privilege.

2. Texas Government Code §551.072 - Deliberation Regarding Real Property

Discussion regarding real property.

3. Texas Government Code §551.074 - Personnel Matters.

To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

- Discussion regarding the vacancy on the City Council.

4. Texas Government Code §551.087 - Deliberation Regarding Economic Development Negotiations.

Discussion regarding economic development negotiations.

C. Reconvene into Regular Session

At 8:15 p.m., Mayor Hebert closed the Executive Session and reconvened the open meeting.

1. Consider and take possible action on legal matters discussed in executive session.

No action was taken.

2. Consider and take action on real estate matters discussed in executive session.

No action was taken.

3. Consider and take possible action on personnel matters discussed in the executive session.

- Consider and take possible action to fill the vacancy on the City Council.

A motion was made by Council Member Brents to appoint Debbie Dugger to the vacant Council Member position that became available when John Hebert was elected Mayor and seconded by Council Member Ward. The motion passed 6 to 0 with all present voting yes.

4. Consider and take possible action on economic development matters discussed in executive session.

No action was taken.

X. ADJOURNMENT

A. Motion To: Adjourn

With no further business to discuss, Mayor Hebert adjourned the meeting at 8:18 p.m.

John Hebert, Jr., Mayor

ATTEST:

April Gilliland, City Secretary