



The City of Liberty City Council

Regular Meeting

~ Agenda ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, April 13, 2010

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	Arrival
Mayor Carl Pickett	..	..	..	
Councilperson Dennis Beasley	..	..	..	
Councilperson Diane Huddleston	..	..	..	
Mayor Pro-Tem Mike McCarty	..	..	..	
Councilperson Al Simonson	..	..	..	
Councilperson Louie Potetz	..	..	..	
Councilperson Frank Jordan	..	..	..	

II. INVOCATION

III. PLEDGE OF ALLEGIANCE

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 1631)

Proclamation Declaring April as Fair Housing Month

- Fair Housing Proclamation 2010 (DOC)

B. Information Item (ID # 1637)

Employee Recognition - Reader's Choice Awards

C. Information Item (ID # 1632)

Appointments to the Liberty Community Development Corporation - May 2010

D. Information Item (ID # 1633)

Appointments to the Planning & Zoning Commission - May 2010

E. Information Item (ID # 1634)

City Manager's 6-Month Evaluation - May 2010

F. Information Item (ID # 1635)

City Manager's Budget Calendar

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. Minutes Approval

1. Friday, March 05, 2010
2. Tuesday, March 09, 2010
3. Tuesday, March 16, 2010
4. Tuesday, March 23, 2010
5. Tuesday, March 30, 2010

VII. PUBLIC HEARINGS**A. Public Hearing (ID # 1627)**

Public Hearing Regarding the Adoption of an Ordinance Creating a Reinvestment Zone/Tax Abatement Zone Near U.S. Highway 90 and Layl Drive.

VIII. REGULAR AGENDA**A. Regular Session****1. Ordinance (ID # 1646)**

Consider Adoption of an Ordinance Creating a Reinvestment Zone/Tax Abatement Zone Near U.S. Highway 90 and Layl Drive.

2. Council Action (ID # 1628)

Consider a Request for Funds for Bullet Proof Vests for the Liberty Police Department

FISCAL IMPACT:

Purchase price is \$14,700.00

3. Council Action (ID # 1636)

Consider Revision of the City's Telecommunications Access Line Rates.

- PUC Access Line Rates March 2010 (PDF)

4. Ordinance (ID # 1638)

Consider Adoption of an Ordinance Approving a Change in Rates Requested in Entergy Texas Inc.'s Statement of Intent Filed with the City on March 25, 2010.

5. Council Action (ID # 1639)

Consider Approval of an Agreement for Bond Counsel Services, with McCall, Parkhurst & Horton L.L.P.

- Bond Counsel Agreement McCall, Parkhurst & Horton (PDF)

6. Ordinance (ID # 1643)

Consider Adoption of an Ordinance Authorizing the Issuance of \$1,000,000 in Principal Amount of City of Liberty, Texas Tax Notes, Taxable Series 2010; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Contract and Investment Letter, and All Other Instruments and Procedures Related Thereto.

7. Ordinance (ID # 1644)

Consider Adoption of an Ordinance Authorizing the Issuance, Sale and Delivery of \$2,565,000 in Aggregate Principal Amount of City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2010; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax and a Pledge of Certain Surplus Revenues of the City's Electric System; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Contract and Investment Letter, and All Other Instruments and Procedures Related Thereto.

8. Council Action (ID # 1630)

Consider Approval of the Final Plat of the Zarate Subdivision.

- Zarate Subdivison (PDF)

9. Council Action (ID # 1645)

Consider Approval of a Change Order for Costs Associated with the Humphreys Cultural Center Expansion Project.

- Change Order HCC Exp March 2010 (PDF)

10. Council Action (ID # 1641)

Consider an Appointment, to Replace Mr. Charles McGuire, on the Texas Department of Rural Affairs Community and Economic Development Assistance Fund, Regional Review Committee.

- Resig Reg Rev Board C. McGuire (PDF)

11. Council Action (ID # 1642)

Discussion, and Possible Action, on the Demolition of the Old Mercy Hospital Located at 521 Travis Street.

12. Council Action (ID # 1640)

Consider Authorizing the City Manager to Research Legal Options for the Historic Preservation of the Downtown Area.

B. Executive Session

Deliberation Regarding Economic Development Negotiation. Gov. Code §551.087
Consultation With Attorney. Gov. Code 1551.071

1. Discussion of possible economic development prospect, Trinity Garden Apartments.

C. Reconvene into Regular Session

1. **Council Action (ID # 1647)**

Consider Any Action, as Discussed in the Executive Session, Regarding the Trinity Garden Apartments.

IX. COUNCIL MEAL

X. ADJOURNMENT

A. 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 9th day of April, 2010 at 1:00 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 given to The Vindicator, Liberty Gazette, and KSHN Radio.

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 _____, 2010.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

5.A

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Proclamations

INFORMATION ITEM (ID # 1631)

DOC ID: 1631

Proclamation Declaring April as Fair Housing Month

EXPLANATION:

The Fair Housing Act, prohibits discrimination in the financing, rent, or sale of any dwelling based on race, color, religion, sex, national origin, or disability. This proclamation reflects the City's support of the Fair Housing Law.

Dianne Tidwell

PROCLAMATION OF APRIL AS FAIR HOUSING MONTH

WHEREAS *Title VIII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares it a national policy to provide, within constitutional limits, for fair housing in the United States; and*

WHEREAS *The principle of Fair Housing is not only national law and national policy, but a fundamental human concept and entitlement for all Americans; and*

WHEREAS *The anniversary of this National Fair Housing Law, during the month of April, provides an opportunity for all Americans to recognize that complete success in the goal of equal housing opportunity can only be accomplished with the help and cooperation of all Americans.*

NOW, THEREFORE, WE, the Council Meeting of the City of Liberty, do proclaim April as Fair Housing Month in City of Liberty and do hereby urge all the citizens of this locality to become aware of and support the Fair Housing law.

IN WITNESS WHEREOF we have affixed our signatures and seal on this the 13th day of April 2010.

Carl Pickett

Title: Mayor

Attest:

Dianne Tidwell

Title: City Secretary

Attachment: Fair Housing Proclamation 2010 (1631 : Proclamation Fair Housing Month)



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

5.B

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Announcements

INFORMATION ITEM (ID # 1637)

DOC ID: 1637

Employee Recognition - Reader's Choice Awards



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

5.C

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Board Appointments & Information

INFORMATION ITEM (ID # 1632)

DOC ID: 1632

Appointments to the Liberty Community Development Corporation - May 2010

EXPLANATION:

THIS CORPORATION IS MANAGED BY A BOARD OF SEVEN MEMBERS. ALL DIRECTORS ARE APPOINTED BY THE CITY COUNCIL FOR TWO-YEAR TERMS. EACH MEMBER SHALL BE A RESIDENT OF THE CITY AND THREE (3) OF THE SEVEN (7) MEMBERS SHALL BE PERSONS WHO ARE NOT EMPLOYEES, OFFICERS OF THE CITY, OR MEMBERS OF THE CITY COUNCIL.

APPOINTMENTS ARE TO BE MADE AT THE MAY COUNCIL MEETING. THIS MEMO SERVES AS A REMINDER, SO YOU MAY HAVE TIME TO CONSIDER QUALIFIED INDIVIDUALS TO SERVE ON THIS BOARD.

CURRENT MEMBERS ARE:

DENNIS BEASLEY - PRESIDENT	BILLY PAGE
MIKE McCARTY - VICE-PRESIDENT	ROBERT WARD
GARY BROZ - GENERAL MGR.	MIKE VAN ETTA
LOUIE POTETZ	

THOSE MEMBERS WHOSE TERMS EXPIRE IN JUNE 2010:

DENNIS BEASLEY	LOUIE POTETZ
LOUIE POTETZ	BILLY PAGE

Dianne Tidwell



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

5.D

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Board Appointments & Information

INFORMATION ITEM (ID # 1633)

DOC ID: 1633

Appointments to the Planning & Zoning Commission - May 2010

EXPLANATION:

Appointments to the P & Z will be made at the May Council Meeting. P & Z is made up of five members, who are qualified voters of the City appointed to serve three year terms. Those members whose terms expire are Larry Wagnon and Alternates Paul Damek and Mark Campbell.

Other Commission Members are: Shelli Ellerbe
David Arnold
Bill Takach
Kim Anderson

Dianne Tidwell

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The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

5.E

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Evaluations

INFORMATION ITEM (ID # 1634)

DOC ID: 1634

City Manager's 6-Month Evaluation - May 2010



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

5.F

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Budget Info

INFORMATION ITEM (ID # 1635)

DOC ID: 1635

City Manager's Budget Calendar



The City of Liberty City Council

Special Called Meeting

~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Friday, March 5, 2010

12:00 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

The Meeting was called to order on March 5, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty, TX at 12:03 PM by Mayor Carl Pickett.

Attendee Name	Present	Absent	Late	Arrived
Carl Pickett	p	..	..	
Dennis Beasley	p	..	..	
Diane Huddleston	p	..	..	
Mike McCarty	..	p	..	
Al Simonson	p	..	..	
Louie Potetz	p	..	..	
Frank Jordan	p	..	..	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council regarding non-agenda items. There were no comments from the audience.

Mayor Pickett reported on the following:

- 1) Council Meeting on Tuesday, March 9, 2010,
- 2) Black & Gold Street Sign Program, and
- 3) TML Region XVI Meeting in Cleveland on Thursday, March 18, 2010.

III. REGULAR AGENDA

A. Executive Session

Deliberation Regarding Economic Development Negotiation. Gov. Code §551.087
Consultation With Attorney. Gov. Code §551.071
Meeting Concerning Municipally Owned Utility. Gov. Code §551.086

1. Discussion of electrical services and/or incentives to Boomerang Tube, LLC.

At 12:05 p.m., Mayor Pickett closed the open meeting and opened the Executive Session, as authorized above.

Minutes Acceptance: Minutes of Mar 5, 2010 12:00 PM (Minutes Approval)

B. Reconvene into Regular Session

At 12:45 p.m., Mayor Pickett closed the Executive Session and reconvened the open meeting.

1. Council Action 2010-24

Consider Approval Regarding Electrical Services And/Or Incentives to Boomerang Tube, LLC.

COMMENTS - Current Meeting:

Motion was made to authorize the City Manager to purchase electric switches, in an amount not to exceed \$25,000, to bring the City's electric system to capacity, in order to serve Boomerang Tube, LLC.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dennis Beasley, Councilperson
SECONDER:	Frank Jordan, Councilperson
AYES:	Pickett, Beasley, Huddleston, Potetz, Jordan
ABSENT:	Mike McCarty, Al Simonson

IV. COUNCIL MEAL

Council shared a noon meal.

V. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 12:47 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Louie Potetz, Councilperson
SECONDER:	Al Simonson, Councilperson
AYES:	Pickett, Beasley, Huddleston, Simonson, Potetz, Jordan
ABSENT:	Mike McCarty

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Mar 5, 2010 12:00 PM (Minutes Approval)



The City of Liberty City Council

Regular Meeting

~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, March 9, 2010

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

The Meeting was called to order on March 9, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty, TX at 6:00 PM by Mayor Carl Pickett.

Attendee Name	Present	Absent	Late	Arrived
Carl Pickett	p	..	..	
Dennis Beasley	p	..	..	
Diane Huddleston	p	..	..	
Mike McCarty	p	..	..	
Al Simonson	p	..	..	
Louie Potetz	p	..	..	
Frank Jordan	p	..	..	

II. INVOCATION

The Invocation was given by Father Anil Thomas, Immaculate Conception Catholic Church, Liberty, Texas.

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the American and Texas flags was led by Fire Chief Fred Collins.

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council regarding non-agenda items. There were no comments from the audience.

Mayor Pickett reported on the following items:

- 1) Rebate Program from the Texas Comptroller's Office regarding energy efficient appliances,
- 2) TML Region XVI Meeting on March 18th in Cleveland, Texas,
- 3) City Manager's program to the Rotary Club on March 9 regarding current city projects, and
- 4) Council member's money due for the Chamber of Commerce Banquet and the Black-Gold Street Sign Program.

At this point in the agenda, Mayor Pickett closed the open meeting, at 6:07 p.m., and opened an

Minutes Acceptance: Minutes of Mar 9, 2010 6:00 PM (Minutes Approval)

Executive Session regarding the following:

Deliberation Regarding Economic Development Negotiation. Gov. Code §551.087

Consultation With Attorney. Gov. Code §551.071

Meeting Concerning Municipally Owned Utility. Gov. Code §551.086

1. Discussion of electrical services and/or incentives to Boomerang Tube, LLC.
2. Discussion of electrical services and/or incentives to Holiday Inn Express.

At 6:30 p.m., Mayor Pickett closed the Executive Session and reconvened the open meeting.

V. PRESENTATIONS / REPORTS

A. Information Item 2010-17

Liberty Municipal Airport Presentation - Avon Moore, Community Services Director

COMMENTS - Current Meeting:

Avon Moore, Community Services Director, provided a powerpoint presentation on the Liberty Municipal Airport. Mr. Moore reported on the condition of the airport and the status of airport related projects.

Brief discussion was held regarding land acquisition, private hangars, fencing and other associated topics.

B. Information Item 2010-15

Financial Report - January 2010 - Naomi Herrington, Finance Director

COMMENTS - Current Meeting:

City Manager Gary Broz reported on a balance sheet for the month ending January 31, 2010. Mr. Broz reported that this document reflects asset balances as listed below:

- 1) General Fund - \$2+ million
- 2) Water & Wastewater - \$14 million
- 3) Electric - \$2 million
- 4) Garbage - \$198,000

Mr. Broz also reported that current to-date revenues over expenditures reflect the following:

- 1) General Fund - \$383,000 revenues over expenditures
- 2) Water & Wastewater - 1 million +
- 3) Electric Department - \$500,000 to the negative
- 4) Garbage - \$72,000 - to the negative

Mr. Broz stated the following issues were being reviewed:

- 1) reviewing salaries for each department,
- 2) reviewing large expenses,
- 3) working on trimming 5%-10% from the current budget, and
- 4) staff is currently reviewing their department budgets, in preparation for the new fiscal year budget.

Finance Director Naomi Herrington reported that she would have the sales tax report out by the end of the week, and per Councilperson Simonson's request, would also report on numbers projected in the budget for sales tax, compared to what was actually received, starting with the beginning of the 09-10 fiscal year.

C. Information Item 2010-16

Humphreys Cultural Center Expansion Project & Other Projects Update - Gary Broz, City Manager

COMMENTS - Current Meeting:

City Manager Gary Broz reported that Library Director Dana Abshier, had given an informative report on the Humphreys Cultural Center Expansion Project, at the last council meeting.

Mr. Broz reported that:

- 1) he had spoken with Schaumburg & Polk, and equipment should arrive at the Wastewater Treatment Plant, by the end of next week, to begin work on plant improvements,
- 2) sewer system upgrades are being reviewed by the Texas Water Development Board,
- 3) bids should be let soon for the Washington Street Lift Station, and
- 4) the City should soon receive ninety electric poles and several generators, from Round 1 Disaster Funds.

Mr. Broz further reported that internally staff is working on health insurance, keeping the budget in balance, and preparing for the new fiscal year budget process. Mr. Broz stated that the budget document will be in a new format, to include more detail.

Mr. Broz stated that at the Council Meeting of March 23rd, Bob Henderson, RBC Capital, will be present to further discuss the City's financial plan.

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.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Frank Jordan, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

A. Minutes Approval

1. Tuesday, February 09, 2010
2. Tuesday, February 16, 2010
3. Tuesday, February 23, 2010

VII. REGULAR AGENDA

A. Regular Session

1. Council Action 2010-25

Consider Authorizing the Purchase of Incode Call Center Software.

FISCAL IMPACT:

Purchase Price - \$9691.00 with annual maintenance of \$2438.00.

COMMENTS - Current Meeting:

City Manager Gary Broz requested authorization to purchase Incode Call Center software. Mr. Broz reported that this product provides the ability to record and track incoming calls and complaints, allows for efficient management of staff notification, and tracks time and materials spent on jobs. Mr. Broz stated that this program is a much needed tool which will increase efficiency and provide accountability. Cost of the software is \$9691.00, with an annual maintenance fee of \$2438.00.

Motion was made to authorize the City Manager to purchase the Incode Call Center software as presented.

ATTACHMENTS:

- Call Center Software (PDF)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Frank Jordan, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

2. Council Action 2010-26

Consider Approval of an Agreement with Trees, Inc. for Tree Trimming Services of the City's Electric System.

Minutes Acceptance: Minutes of Mar 9, 2010 6:00 PM (Minutes Approval)

COMMENTS - Current Meeting:

City Manager Gary Broz reported that the contract presented is a renewal of the current contract, in the amount of \$60,000, for trimming of the City's electric lines. Mr. Broz stated that Trees, Inc. provides quality work, is contacted on an as-needed basis, and charges did not increase. Mr. Broz further stated that the City's tree trimming crew had been reduced, attempting to keep the electric department budget in balance. Randy Wiggins, Electric Dept. Director, stated the City's lines are currently in good shape, and the electric system can easily be maintained by use of Trees Inc., and the remaining employee tree trimming crew.

Motion was made to approve the contract with Trees, Inc.

ATTACHMENTS:

- Trees Inc Contract Feb 2010 (DOC)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dennis Beasley, Councilperson
SECONDER:	Mike McCarty, Mayor Pro-Tem
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

3. Council Action 2010-27

Consider Awarding Bid for Demolition of the Electric Department Power Plant Building.

COMMENTS - Current Meeting:

City Manager Gary Broz reported that the City had received five bids for the demolition of the Electric Department Power Plant building, 1909 Monta Street. The specifications for this job include lifting the roof off the plant, to allow access for removal of contents, prior to demolition. Bids ranged from \$37,500 - \$88,500.

Brief discussion included non-friable asbestos, material disposal, foundation issues, and other related topics. The demolition will be totally paid for with FEMA funds. Mr. Broz stated that references had been checked and that his recommendation is to award the bid to the low bidder, Albo LLC.

Motion was made to approve the bid submitted by Albo LLC, a lump sum bid of \$37,500, for the demolition of the Power Plant building.

ATTACHMENTS:

- BID NO. 10-005 Bid Tab (DOC)
- Bid No. 10-005 Contractors' Plans (PDF)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Diane Huddleston, Councilperson
SECONDER:	Frank Jordan, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

4. Resolution 2010-6

Consider a Resolution Declaring an Urgent Need for Use of Texas Community Development Block Grant Hurricane Ike 2008 Supplemental Disaster Recovery Funds, and Authorizing the

Mayor to Act as the City's Executive Officer and Authorized Representative in All Matters Pertaining to Participation in the 2008 Supplemental Disaster Recovery Fund Program.

COMMENTS - Current Meeting:

City Manager Gary Broz reported that this Resolution is relative to Round 2 of the 2008 Supplemental Disaster Recovery Funds for Hurricane Ike. The Resolution declares the need for the use of Texas Community Development Block Grant funds and the attached Exhibit A spells out those conditions requiring assistance to include, but not limited to, the damaged police department building.

Motion was made to approve the Resolution.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Frank Jordan, Councilperson
SECONDER:	Mike McCarty, Mayor Pro-Tem
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

5. Information Item 2010-18

Discussion Regarding Bid Award for the FY 09-10 Airport Improvement Project.

COMMENTS - Current Meeting:

City Manager Gary Broz reported on the recent bids received for the FY 09-10 Airport Improvement Project. Mr. Broz reported that TxDOT handles the entire bid process, including the bid award. The City received one bid, from BC Company, Ft. Worth, Texas, which was well within the budgeted project amount of \$595,000, to include a 10% match from the City. This bid was low enough that the runway surface was upgraded, from a P631 cold emulsion to a flex grip Type C emulsion.

6. Information Item 2010-19

Discussion Regarding Sale of Old Police Department Building, Located at 323 San Jacinto.

COMMENTS - Current Meeting:

City Manager Gary Broz reported on the recent solicitation of bids for the sale of the Police Department building, damaged during Hurricane Ike, which resulted in no bids. The required minimum bid, on this property, was the CAD value of the land, \$88,000. Mr. Broz requested direction from the Council as how to proceed.

Brief discussion was held regarding soliciting bids again, listing with a real estate agent, fencing for added security of the property, and other topics.

Council would like to see this property put up for sale again, asked for an appraised value from a real estate agent, and obtain numbers for the cost of demolition of the building, for possible future negotiation purposes.

Minutes Acceptance: Minutes of Mar 9, 2010 6:00 PM (Minutes Approval)

B. Executive Session

Deliberation Regarding Economic Development Negotiation. Gov. Code §551.087
 Consultation With Attorney. Gov. Code §551.071
 Meeting Concerning Municipally Owned Utility. Gov. Code §551.086
 Deliberation Regarding Real Property. Gov. Code §551.072

1. Discussion of electrical services and/or incentives to Boomerang Tube, LLC.
2. Discussion of electrical services and/or incentives to Holiday Inn Express.
3. Discussion of real property value.

At 7:31 p.m., Mayor Pickett once again, closed the open meeting and opened the Executive Session, as authorized above.

C. Reconvene into Regular Session

At 8:27 p.m., Mayor Pickett closed the Executive Session and reconvened the open meeting.

1. Council Action 2010-28

Consider Approval Regarding Electrical Services And/Or Incentives to Boomerang Tube, LLC.

COMMENTS - Current Meeting:

Motion was made to approve a Resolution by the City Council of the City of Liberty, Texas indicating intent to adopt the "Electrical Services Construction Charge Agreement" with Boomerang Tube LLC.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Frank Jordan, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

2. Council Action 2010-29

Consider Approval Regarding Electrical Services And/Or Incentives to Holiday Inn Express.

RESULT:	NO ACTION TAKEN
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3. Council Action 2010-30

Consider Any Action, as Discussed in the Executive Session, Relative to Real Property Value.

RESULT:	NO ACTION TAKEN
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VIII. COUNCIL MEAL

Council shared an evening meal.

IX. ADJOURNMENT

A. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 8:30 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Louie Potetz, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Mar 9, 2010 6:00 PM (Minutes Approval)



The City of Liberty City Council

Work Session

~ Minutes ~

1829 Sam Houston
Liberty, TX 77575
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Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, March 16, 2010

12:00 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

The Meeting was called to order on March 16, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty, TX at 12:00 PM by Mayor Carl Pickett.

Attendee Name	Present	Absent	Late	Arrived
Carl Pickett	p	..	..	
Dennis Beasley	p	..	..	
Diane Huddleston	p	..	..	
Mike McCarty	p	..	..	
Al Simonson	..	p	..	
Louie Potetz	..	p	..	
Frank Jordan	p	..	..	

II. WORK SESSION

1. Work Session (ID # 1610)

Tour of New Industrial Business Facility - Boomerang Tube, LLC - 1106 FM 3361, Liberty, Texas.

COMMENTS - Current Meeting:

Prior to the tour of Boomerang Tube, LLC, Mayor Pickett reported on gathering for the TML Region XVI meeting to be held in Cleveland, Texas on Thursday, March 18, 2010.

At 12:05 p.m., Council Members left the Council Chambers for a tour of the City's new industrial business; Boomerang Tube, LLC, 1106 FM 3361, Liberty, Texas.

2. Work Session (ID # 1611)

Return to Council Chambers for Discussion/Comments on the Tour of Boomerang Tube, LLC.

COMMENTS - Current Meeting:

At 1:15 p.m., Council Members returned to the Council Chambers. City Manager Gary Broz commented that he hoped everyone enjoyed the tour and watching the progress as this project unfolds.

Minutes Acceptance: Minutes of Mar 16, 2010 12:00 PM (Minutes Approval)

Mr. Broz asked Council to complete and return the Strategic Planning Survey, as this information will need to be tabulated and given to Financial Advisor, Bob Henderson. Mr. Broz also reported that bids would be opened on March 29 for the wire and material for the Boomerang Tube electric substation, and that a special meeting would be held on March 30 to award this bid. Mr. Broz further stated that a meeting may be held on April 1st to award the contractor bid for this substation.

Council thanked Mr. Broz for a job well done, in bringing closure to this project.

III. COUNCIL MEAL

Council shared a meal prior to the work session, at the Rotary Club meeting.

IV. ADJOURNMENT

1. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the work session was adjourned at 1:35 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Frank Jordan, Councilperson
SECONDER:	Mike McCarty, Mayor Pro-Tem
AYES:	Pickett, Beasley, Huddleston, McCarty, Jordan
ABSENT:	Al Simonson, Louie Potetz

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Mar 16, 2010 12:00 PM (Minutes Approval)



The City of Liberty City Council

Special Called Meeting

~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, March 23, 2010

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

The Meeting was called to order on March 23, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty, TX at 6:03 PM by Mayor Carl Pickett.

Attendee Name	Present	Absent	Late	Arrived
Carl Pickett	p	..	..	
Dennis Beasley	p	..	..	
Diane Huddleston	p	..	..	
Mike McCarty	p	..	..	
Al Simonson	p	..	..	
Louie Potetz	p	..	..	
Frank Jordan	p	..	..	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council regarding non-agenda items. There were no comments from the audience.

Mayor Pickett reported on the following:

- 1) Liberty Jubilee to be held on March 26 and 27,
- 2) Council Members who signed up to work the Information Booth at the Jubilee, please be present, and
- 3) a total of seven people attended the TML Region XVI Meeting in Cleveland on March 18th, with the City winning a prize for the most people in attendance.

III. PRESENTATIONS / REPORTS

A. Information Item (ID # 1612)

Financial Report - February 2010 - Naomi Herrington, Finance Director

COMMENTS - Current Meeting:

Finance Director Naomi Herrington reported on the February financial report stating, as of February 28, revenues for the general fund are currently at 46% of total projected revenues for

Minutes Acceptance: Minutes of Mar 23, 2010 6:00 PM (Minutes Approval)

the current fiscal year and expenditures at 43% of total projected expenditures for the current fiscal year.

Ms. Herrington stated that the current total asset listing is \$2.6 million. Property tax is at 92% of the budgeted \$1.4 million and sales tax is at 35% of the current budgeted amount of \$2 million. Ms. Herrington further reviewed the various funds and their status.

City Manager Gary Broz reported that as of today, March 23rd, the City is sitting at 50% revenues and 50% expenditures in the General Fund. Mr. Broz stated that, this same day, he has implemented several directives to staff:

- 1) instituted a hiring freeze,
- 2) purchases over \$500 must be approved prior to purchase being made, and
- 3) all departments to cut overtime, and review the number of stand-by personnel.

Mr. Broz further stated that the finances are being closely watched and spending is at a minimum, the city currently being at a break-even point. Mr. Broz commented that additional revenue will come from end of the quarter franchise fees and hopefully, increased sales tax figures.

B. Information Item (ID # 1613)

Humphreys Cultural Center Expansion Project - Construction Draw Feb 2010 - Naomi Herrington, Finance Director

COMMENTS - Current Meeting:

Finance Director Naomi Herrington reported that the last contractor draw took place on February 28th, with the scope of work being 90% complete. Ms. Herrington further reported that Council received a breakdown of the contingency fund and change orders, which currently reflect figures below the budgeted \$30,000.

Further discussion included additional project funds, project completion within the budgeted amount, and other related issues.

Mr. Broz reported that the demolition of the power plant building would take place on April 1st, the generator and inventory were being removed, bids for the wastewater treatment plant system upgrades would be out soon, and reported on the status of other current city projects, to include the airport grant, Round 2 Disaster Funds, health insurance, and the black & gold street sign program.

C. Information Item (ID # 1614)

Recycling Report - Councilperson Huddleston

COMMENTS - Current Meeting:

Councilperson Huddleston stated that there has been no activity to report at this time.

D. Information Item (ID # 1617)

Certification of Unopposed Candidates - Dianne Tidwell, City Secretary

COMMENTS - Current Meeting:

City Secretary Dianne Tidwell reported to Council the unopposed status of the council member race for the May 8, 2010 General Election. Ms. Tidwell stated that the Texas Election Code requires that certification of unopposed status be delivered to the governing body of the political subdivision after the filing deadlines have passed. Ms. Tidwell further stated that new law states that these unopposed candidate's names will be placed on the ballot under a heading "Unopposed Candidates Declared Elected", and no votes are cast in connection with these candidates.

ATTACHMENTS:

- Cert of Unopposed Candidates (PDF)

IV. REGULAR AGENDA**A. Regular Session****1. Council Action 2010-31**

Consider Award of Bid No. 10-006: Annual Contract for Mowing Services--Highway 90 Median.

COMMENTS - Current Meeting:

City Manager Gary Broz reported that the city had opened bids for mowing of the Hwy. 90 median, from the Trinity River Bridge moving west to the city limits. Four bids were received. The low bidder was HLNG Lawn Service for a monthly charge of \$350, with the remaining bids ranging from \$700-\$750. Bid specifications state that the contractor will mow the property twice monthly, from March through November.

Motion was made to award the bid to HLNG Lawn Service.

ATTACHMENTS:

- BID NO. 10-006 Bid Tab (DOC)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Louie Potetz, Councilperson
SECONDER:	Mike McCarty, Mayor Pro-Tem
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

2. Council Action (ID # 1616)

Discuss with the Financial Advisor, and Approve, a Plan of Finance to Fund the Boomerang Tube, LLC Electric Substation.

COMMENTS - Current Meeting:

City Manager Gary Broz reported that he had been working with the City's Financial Advisor, Bob Henderson, on a plan of finance for the Boomerang Tube Electric Substation, and that Mr. Henderson was present to discuss this plan with the Council.

Mr. Henderson reported on the Electric Services Charge Agreement (ESC) with Boomerang Tube LLC, in which the City agrees to provide a power substation with all transmission and distribution lines to deliver up to forty mega watts of power, on or before May 31, 2010. This will be a temporary facility, until construction of the permanent substation facility is complete.

Mr. Henderson stated that the Boomerang agreed to pay, the City, under the ESC now in force, an amount not to exceed \$3,500,000, to include costs of financing (interest on debt) not to exceed \$750,000. Therefore, total payments will be made in an amount not to exceed \$4,250,000. Payments of \$83,000 per month will be paid to the City for a 24-month period, to commence on June 1, 2010; and payments of \$22,000 will be paid for the following ninety-six months.

As security for this agreement, Boomerang has agreed to place in escrow an amount of two million dollars, on May 1st, available to the City to draw upon in the event of past due ESC charges. ESC charges is the electrical services charge agreement designed to reimburse the City for the capital outlay, relating to the substation, separate and apart from the Boomerang's normal monthly electric bill. This two million dollars will be refunded to Boomerang Corporation in \$500,000 increments, at six-month intervals, beginning November 1, 2010; including accrued interest. Term of the contract is ten years.

Mr. Henderson further reported that based on the terms of the ESC between the City and Boomerang, the borrowings for the substation consist of two separate financings: 1) a Tax Note with a par value of \$1 million, with final maturity on September 1, 2011, and 2) a Certificate of Obligation issue, with a par value of \$2,565,000, final maturity September 1, 2020; along with the structure of the Boomerang Corporation payments, as described above.

Further discussion included the Sam Rayburn Municipal Power Agency and tax-exempt debt, bids for substation materials, bids for construction, bid award dates, and other related information. Mr. Henderson stated that the City should move forward with the tax notes to assure funds are available for the materials, and the certificate of obligation issue will take place after the construction bid award.

Council was in agreement for this plan of finance.

City Manager Gary Broz recommended that Council consider a resolution to pay off the agreement for the two million dollars in five years, instead of ten years.

RESULT: NO ACTION TAKEN

3. Ordinance 2010-9

Consider Adoption of an Ordinance Authorizing the Issuance, Sale and Delivery of Approximately \$3,400,000 in Aggregate Principal Amount of "City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation, Series 2010"; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax and a Pledge of Certain Surplus Revenues of the City's Electric System; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Contract, an Official Statement and All Other Instruments and Procedures Related Thereto.

COMMENTS - Current Meeting:

Mayor Pickett read the caption of the Ordinance into the record as follows:

"CONSIDER ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF APPROXIMATELY \$3,400,000 IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF LIBERTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010"; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY'S ELECTRIC SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; A PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO.

Motion was made to table this ordinance until the Council Meeting of April 13, 2010.

RESULT:	TABLED [UNANIMOUS]
MOVER:	Dennis Beasley, Councilperson
SECONDER:	Al Simonson, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

V. COUNCIL MEAL

Council shared an evening meal.

VI. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 7:35 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Louie Potetz, Councilperson
SECONDER:	Frank Jordan, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary



The City of Liberty City Council

Special Called Meeting

~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, March 30, 2010

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

The Meeting was called to order on March 30, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty, TX at 6:00 PM by Mayor Carl Pickett.

Attendee Name	Present	Absent	Late	Arrived
Carl Pickett	p	..	..	
Dennis Beasley	p	..	..	
Diane Huddleston	p	..	..	
Mike McCarty	p	..	..	
Al Simonson	..	p	..	
Louie Potetz	p	..	..	
Frank Jordan	p	..	..	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council regarding non-agenda items. There were no comments from the audience.

Mayor Pickett reported on the following items:

- 1) appreciation for a job well done to all who participated in the Liberty Jubilee,
- 2) Chamber of Commerce Business Expo will be held in the Liberty Center on Thursday, April 8th, and
- 3) KSHN Easter Egg Hunt is scheduled for Saturday, April 3rd, at 10:00 a.m., at the Liberty Municipal Park.

III. REGULAR AGENDA

A. Regular Session

1. Resolution 2010-7

Consider Approval of a Resolution Expressing Official Intent to Reimburse with Proceeds of Obligations Issued to Finance Extensions and Improvements to the City's Electric System Deemed Necessary to Provide Electric Service to a New Commercial Customer.

Minutes Acceptance: Minutes of Mar 30, 2010 6:00 PM (Minutes Approval)

COMMENTS - Current Meeting:

Mayor Pickett read the entire Resolution into the record, the caption stated as follows:

"CONSIDER APPROVAL OF A RESOLUTION EXPRESSING OFFICIAL INTENT TO REIMBURSE WITH PROCEEDS OF OBLIGATIONS ISSUED TO FINANCE EXTENSIONS AND IMPROVEMENTS TO THE CITY'S ELECTRIC SYSTEM DEEMED NECESSARY TO PROVIDE ELECTRIC SERVICE TO A NEW COMMERCIAL CUSTOMER."

City Manager Gary Broz explained that the resolution states in the event any funds are spent before the bonds are sold for Boomerang, the City will be able to reimburse itself from bond proceeds. This resolution relates to the following agenda item and materials and supplies for the Boomerang Substation.

Motion was made to approve the Resolution.

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

2. Council Action 2010-32

Discuss and Award Bid for Materials to be Used in the Construction of the Boomerang Tube, LLC Electric Substation.

COMMENTS - Current Meeting:

City Manager Gary Broz reported that bids were opened on March 29th for materials to be used in the construction of the Boomerang Electric Substation. Mr. Broz stated that this project was bid three different ways; two sizes of copper wire, and aluminum wire. Two bids were received; one from Techline and one from Texas Electric Cooperative, which was an incomplete bid.

Mr. Broz recommended the bid from Techline, in the amount of \$442,050.70 be accepted.

Mr. Broz stated that copper wire would not be available until May 18-20, not providing sufficient time to have the temporary substation in operation by May 31. The aluminum wire is currently in stock, in Austin, and can be accessible on site, so that when the contractor bid is awarded, work can begin immediately. Mr. Broz also reported that by purchasing these materials directly, saves 8-10% markup from the contractor.

Motion was made to award the bid to Techline.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mike McCarty, Mayor Pro-Tem
SECONDER:	Frank Jordan, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Potetz, Jordan
ABSENT:	Al Simonson

IV. COUNCIL MEAL

Council shared an evening meal.

V. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 6:18 p.m.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Louie Potetz, Councilperson
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Potetz, Jordan
ABSENT:	Al Simonson

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Mar 30, 2010 6:00 PM (Minutes Approval)



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

7.A

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Public Hearing

PUBLIC HEARING (ID # 1627)

DOC ID: 1627

Public Hearing Regarding the Adoption of an Ordinance Creating a Reinvestment Zone/Tax Abatement Zone Near U.S. Highway 90 and Layl Drive.

NOTICE OF PUBLIC HEARING

The Liberty City Council will conduct a public hearing on Tuesday, April 13, 2010 at 6:00 p.m. in the Council Chambers of the Liberty City Hall, located at 1829 Sam Houston, Liberty, Texas 77575 to consider comment concerning the designation of a certain area as a commercial/industrial tax abatement zone and establishing the boundaries of said zone in the City of Liberty, Texas. Possible tax incentives to be offered to projects within the City of Liberty will be discussed at the hearing. All interested parties are encouraged to attend and present their views. For additional information contact Mr. Gary Broz, City Manager, at (936) 336-3684.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.1

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Reinvestment Zones

ORDINANCE (ID # 1646)

DOC ID: 1646

Consider Adoption of an Ordinance Creating a Reinvestment Zone/Tax Abatement Zone Near
U.S. Highway 90 and Layl Drive.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.2

Meeting: 04/13/10 06:00 PM

Department: Police
Category: Expenditures

COUNCIL ACTION (ID # 1628)

DOC ID: 1628

Consider a Request for Funds for Bullet Proof Vests for the Liberty Police Department

EXPLANATION

The Police Department is requesting \$14,700.00 for bullet proof vests for all of the officers. The current vests are over five years old and have exceeded their ballistic integrity.

Chief Billy Tidwell

FISCAL IMPACT:

Purchase price is \$14,700.00

.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.3

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Telecommunications R-O-W Line Rates

COUNCIL ACTION (ID # 1636)

DOC ID: 1636

Consider Revision of the City's Telecommunications Access Line Rates.

EXPLANATION:

More often than not, the access line rates increase. However, the 2010 maximum access line rates have decreased by approximately .2% due to a reduction in the Consumer Price Index. Council will need to choose whether to keep its 2010 rate the same as 2009, or request an increase from the 2009 rates.

Dianne Tidwell



Public Utility Commission of Texas

1701 N. Congress Ave., PO Box 13326, Austin, TX 78711-3326

2009 CONSUMER PRICE INDEX (CPI) ADJUSTMENT TO MUNICIPAL TELECOMMUNICATIONS RIGHT-OF-WAY ACCESS LINE RATES

March 26, 2010

PURPOSE

This letter is to notify you that your city's 2010 maximum access line rates have decreased by approximately .2% due to a reduction in the Consumer Price Index (CPI). This adjustment has been made pursuant to Chapter 283 of the Local Government Code (House Bill 1777).

DEFAULT RATES FOR 2010: NO CHANGE

Based on the choice made by your city in April 2009, your city's preferred 2010 rate will remain the same as your 2009 rate. According to our records, when similar CPI adjustments were made in April 2009, you opted not to adjust your rates for inflation, i.e. you chose LESS than maximum allowable CPI-adjusted rates. Therefore, your 2010 rates will REMAIN at your 2009 level and your rates will NOT increase or decrease. You have the option to refuse this default rate and request an increase in rates by taking the action explained below.

ACTION BY CITY: TO REQUEST AN INCREASE

(1) You do not have to respond if you desire to keep your 2010 rate at the 2009 level. (2) Respond ONLY if you want an INCREASE from the 2009 rates. (3) To request an increase, notify the PUC using page 2 of this letter no later than April 30, 2010. (4) The PUC does not require City council authorization; however, if your city charter requires it, please do so immediately. (5) Verify your contact information and highlight any changes. (6) Make a copy of this document.

WHAT HAPPENS IF A CITY DOES NOT RESPOND BY APRIL 30, 2010?

If a city does not respond by April 30, 2010, the rates for your city will remain at 2009 levels. The next opportunity to adjust your rates will be September 1, 2010.

WHAT HAPPENS NEXT?

The PUC will notify telephone companies of your desired rates and you will be compensated accordingly beginning July 1, 2010.

FUTURE REVISIONS TO CPI

The access line rates will be revised annually in March depending on whether the CPI changes for the previous year. If the CPI changes for the year 2010, you will receive a similar letter in 2011.

See over...

Attachment: PUC Access Line Rates March 2010 (1636 : Telecommunications Access Line Rates)

CITY OF LIBERTY

Section 1: Your new 2010 CPI adjusted maximum rates are as follows:

Residential \$0.78 **Non_Residential** \$1.73 **Point-to-Point** \$2.64

Section 2: Your default rates for 2010 is as follows and is the same as your 2009 rates. Note: This is lower because you have chosen to do so previously.

Residential \$0.75 **Non_Residential** \$1.67 **Point_to_point** \$2.55

To increase your default rates, notify the PUC by completing the section below. You can mail or fax this page to the PUC. To accept rates in Section 2, no action is required.

I _____, Title _____, am an authorized representative for the City/Town/Village of _____. The City declines to accept the default rates indicated in Section 2 above. Instead, we choose the following rates: Residential _____; Non-Residential _____; Point_to_Point _____.

Date: _____

Signature: _____

Other Comments: _____

HOW TO RESPOND

Mail: John Costello
Public Utility Commission
P.O. Box 13326
Austin, TX 78711-3326

INQUIRIES

Inquiries only. Not for sending your response.
HB1777@puc.state.tx.us
Phone No: 512- 936-7377

OR FAX TO John Costello at: (512) 936-7428

CITY CONTACT INFORMATION

Please notify us if the contact information we have on file for your city has changed. Thank you.

Phone No. 1 (936) 336-3684

Phone No. 2 (936) 336-7361

Fax No: (936) 336-9846

Email: rwood@cityofliberty.org

Address

RONALD R WOOD CITY MANAGER
or current city official responsible for right-of-way issues
CITY OF LIBERTY
1829 SAM HOUSTON
LIBERTY TX 77575



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.4

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Utility Rates

ORDINANCE (ID # 1638)

DOC ID: 1638 A

Consider Adoption of an Ordinance Approving a Change in Rates Requested in Entergy Texas Inc.'s Statement of Intent Filed with the City on March 25, 2010.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS (or "City") APPROVING THE CHANGE IN RATES REQUESTED IN ENTERGY TEXAS, INC.'s ("ETI" or "Company") STATEMENT OF INTENT FILED WITH THE CITY ON MARCH 25, 2010; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE WAS CONSIDERED WAS OPEN TO THE PUBLIC AND IN ACCORDANCE WITH TEXAS LAW; DISPENSING WITH THE REQUIREMENT OF SECTION 3.10 OF THE HOME RULE CHARTER THAT THIS ORDINANCE BE READ ON TWO SEPARATE DAYS.

WHEREAS, on March 25, 2010, ETI filed with the City its Statement of Intent to Adopt a New Rate consisting of a Rough Production Cost Equalization Adjustment ("RPCEA") rider designed to credit customers' bills with certain payments made to ETI pursuant to the Entergy System Agreement;

WHEREAS, ETI has received Rough Production Cost Equalization ("RPCE") payments under the terms of the Entergy System Agreement, which have the effect of lowering ETI's production costs:

WHEREAS, implementation by ETI of the RPCEA rider will result in a credit to customers' bills of approximately \$117.5 million, including interest, of RPCE payments received by ETI in 2009;

WHEREAS, ETI proposes to apply the credit to customers' bills over the three-month period from May through August 2010;

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

Section 1

The City APPROVES any and all changes in rates requested by ETI and included in ETI's Statement of Intent filed on March 25, 2010.

Section 2

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.

BE IT FURTHER ORDERED THAT, in accordance with Section 36.103(b) of the Texas Public Utility Regulatory Act ("PURA"), the City WAIVES the publication of notice requirement set forth in Section 36.103(a) of PURA.

PASSED AND ADOPTED at a regular called meeting of the City Council of the City of Liberty, Texas on the 13th day of April, 2010.

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.5

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Agreements

COUNCIL ACTION (ID # 1639)

DOC ID: 1639

Consider Approval of an Agreement for Bond Counsel Services, with McCall, Parkhurst & Horton L.L.P.

LAW OFFICES
McCALL, PARKHURST & HORTON L.L.P.

717 NORTH HARWOOD
 NINTH FLOOR
 DALLAS, TEXAS 75201-6587
 TELEPHONE: 214 754-9200
 FACSIMILE: 214 754-9250

700 N. ST. MARY'S STREET
 1525 ONE RIVERWALK PLACE
 SAN ANTONIO, TEXAS 78205-3503
 TELEPHONE: 210 225-2800
 FACSIMILE: 210 225-2984

600 CONGRESS AVENUE
 1800 ONE AMERICAN CENTER
 AUSTIN, TEXAS 78701-3248
 TELEPHONE: 512 478-3805
 FACSIMILE: 512 472-0871

April 5, 2010

Mr. Gary Broz
 City Manager
 City of Liberty, Texas
 1829 Sam Houston
 Liberty, Texas 77575

**RE: AGREEMENT TO PROVIDE BOND COUNSEL SERVICES TO THE
 CITY OF LIBERTY, TEXAS**

Dear Gary:

Thank you for the opportunity to submit this letter which will outline our agreement to provide services as Bond Counsel to the **CITY OF LIBERTY, TEXAS** (the "**City**") in connection with the issuance of bonds, certificates of obligation or other obligations, whether secured with taxes and/or revenues (hereinafter generally referred to as "**Bonds**"), to finance various public improvements by the City.

SERVICES

In connection with the issuance of a series of Bonds, we will perform all usual and necessary legal services as Bond Counsel. Specifically, we will prepare and direct legal proceedings and perform other necessary legal services with reference to the authorization, sale, and delivery of the Bonds, including the following as they apply:

1. Provide preliminary advice concerning financing structures, potential sources for revenue pledges, bond election matters, and other legal matters related to public finance.
2. Prepare all necessary instruments relating to a bond election, if required by law to be held in connection with a series of Bonds, and submit documentation necessary for preclearance from the U.S. Department of Justice.
3. Prepare all instruments pursuant to which the Bonds will be authorized, secured, sold, and delivered in consultation with the City's staff, the City Council, the City's Financial Advisor, and other officials and consultants of the City.

Attachment: Bond Counsel Agreement McCall, Parkhurst & Horton (1639 : Bond Counsel Agreement)

4. Attend meetings of the City Council and meetings with the City's staff to the extent required or requested.
5. Attend meetings and/or conference calls with the representatives of the City and meetings and/or conference calls with the underwriters, rating agencies or bond insurers relating to the Bonds to the extent requested or required.
6. Cooperate with the City and its consultants in the preparation of an Official Statement or other offering materials, including review of the information therein describing the Bonds, the security therefor, and the federal income tax status thereof.
7. Submit the documents related to the issuance of the Bonds to the Attorney General of the State of Texas for approval and obtaining the registration of the Bonds by the Comptroller of Public Accounts of the State of Texas, as required by law.
8. Supervise the printing, execution, and delivery of the Bonds to the initial purchasers thereof, or coordinate the preparation of initial Bonds to be delivered to the Depository Trust Company ("DTC") in connection with DTC's book-entry-only system at the request of the Board.
9. When so delivered, render an opinion regarding the validity of the Bonds under Texas law and the tax exempt status of the interest thereon under federal income tax laws.
10. Provide post-issuance advice, as may be requested by the City, concerning such subjects as arbitrage and rebate matters relating to the Bonds and the application of Bond proceeds.

COMPENSATION

To perform the services outlined above, we would propose charging fees as Bond Counsel as follows: (i) for Bonds sold through a negotiated underwriting, competitive sale, or private placement (other than to a state or federal agency), our legal fee would be equal to \$4,000 *plus 1/10th of 1%* of the principal amount of a series of Bonds issued by the City; and (ii) for Bonds sold to a state or federal agency (i.e., the Texas Water Development Board or the United States Department of Agriculture, our legal fee would be equal to \$10,000 *plus 1/10th of 1%* of the principal amount of a series of Bonds issued by the City. For example, based on that proposed fee schedule, our fees as Bond Counsel for a \$3,000,000 bond issue sold through a negotiated underwriting, competitive sale or private placement would be \$7,000. A similar series of Bonds sold to a state or federal agency would result in a legal fee of \$13,000. *Our fees are contingent upon the actual issuance and delivery of a series of Bonds. No fees will be due the firm in connection with the issuance of a series of Bonds if the City does not issue and deliver such Bonds.*

We would also request to be reimbursed for reasonable out-of-pocket expenses (i.e., costs for photocopies, telecopies, long distance telephone, overnight courier and delivery services, transcript binding, and publication of required notices, if any) related to the issuance of a series of Bonds, which generally do not exceed \$1,750. In addition, state law requires the City to pay a nonrefundable examination fee to the Attorney General in connection with the issuance of a series of Bonds (see Section 1202.004, Texas Government Code, as amended) equal to 1/10th of 1% of the principal amount of the Bonds, subject to a minimum fee of \$750 and a maximum fee of \$9,500. At the appropriate time we will request that the City provide a check payable to the Attorney General for such amount, but in the event that our firm pays such statutory filing fee on the City's behalf, we will request to be reimbursed for such payment. In any event, the City will be able to reimburse itself with proceeds of the Bonds for such payment to the Attorney General.

RECORDS

At your request, papers and property furnished by you will be returned promptly. All complete and final drafts of agreement(s), documents, legal memoranda, correspondence, reports, information and other data given to, prepared or assembled by us in furtherance of work performed on behalf of the City, and any other related documents or items, shall become the sole property of the City and shall be delivered to the City upon request without restriction on future use. We may make copies of any and all documents for our files, at our sole cost and expenses.

CONFLICTS

Our firm represents many political subdivisions and others who do business with political subdivisions. It is possible that during the time that we are representing the City, one or more of our present or future clients will have transactions with the City. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in other matters with the City. We do not believe such representation, if it occurs, will adversely affect our ability to represent the City as provided in this correspondence, either because such matters will be sufficiently different from the matter which is the subject of this letter agreement so as to make such representations not adverse to our representation of the City, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of this matter. However, in the event we determine there is a conflict of interest or potential conflict of interest after the representation commences, we will immediately notify the City Manager of the City in writing.

CANCELLATION OF AGREEMENT

While we hope to have the opportunity to serve the City as Bond Counsel on a long term basis, this Agreement may be canceled by the City at any time for any reason.

City of Liberty, Texas
Agreement to Provide Bond Counsel Services
April 5, 2010
Page 4

CONCLUSION

We greatly appreciate the opportunity to serve the City as Bond Counsel and to submit this agreement for services. If you have any questions regarding this agreement or if we can provide you with any additional information regarding our firm, please feel free to contact the undersigned.

ACCEPTANCE

If the City finds the terms in this letter acceptable, please indicate your acceptance and agreement of this engagement letter by signing on the line provided below.

Cordially yours,

McCALL, PARKHURST & HORTON L.L.P.



By: Thomas K. Spurgeon
Partner

ACCEPTED AND AGREED TO:

CITY OF LIBERTY, TEXAS

By: _____
Title: _____
Date: _____

Attachment: Bond Counsel Agreement McCall, Parkhurst & Horton (1639 : Bond Counsel Agreement)

**The City of Liberty**

City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Tax Notes, Taxable Series

ORDINANCE (ID # 1643)

DOC ID: 1643 A

Consider Adoption of an Ordinance Authorizing the Issuance of \$1,000,000 in Principal Amount of City of Liberty, Texas Tax Notes, Taxable Series 2010; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Contract and Investment Letter, and All Other Instruments and Procedures Related Thereto.

ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,000,000 IN PRINCIPAL AMOUNT OF CITY OF LIBERTY, TEXAS TAX NOTES, TAXABLE SERIES 2010; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT AND INVESTMENT LETTER, AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

STATE OF TEXAS

COUNTY OF LIBERTY

CITY OF LIBERTY

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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, the City Council of the City hereby determines that it is necessary and desirable to acquire, construct and equip extensions and improvements to the City's electric system deemed necessary to provide electric service to a new commercial customer (the "**Project**"); and

WHEREAS, pursuant to Chapter 1431, Texas Government Code, as amended (the "**Act**"), the City Council of the City is authorized and empowered to issue anticipation notes to pay contractual obligations incurred or to be incurred (i) for the construction of any public work, and (ii) for the purchase of materials, supplies, equipment, machinery, buildings, lands and rights-of-way for the City's authorized needs and purposes; and

WHEREAS, in accordance with the provisions of the Act, the City Council hereby finds and determines that anticipation notes should be issued and sold at this time to provide funds to acquire, construct and equip the Project; and

WHEREAS, the governing body of the City deems it appropriate to adopt this Ordinance and issue the notes herein authorized as permitted by the Act; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was adopted 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;

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

SECTION 1. AMOUNT AND PURPOSE OF THE NOTES. The Notes of the City are hereby authorized to be issued and delivered in the aggregate principal amount of **\$1,000,000 TO PROVIDE FUNDS TO ACQUIRE, CONSTRUCT AND EQUIP EXTENSIONS AND IMPROVEMENTS TO THE CITY'S ELECTRIC SYSTEM DEEMED NECESSARY TO PROVIDE ELECTRIC SERVICE TO A NEW COMMERCIAL CUSTOMER AND TO PAY COSTS OF ISSUANCE.**

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITY OF NOTES. Each note issued pursuant to this Ordinance shall be designated **CITY OF LIBERTY, TEXAS TAX NOTE, TAXABLE SERIES 2010**, and initially there shall be issued, sold, and delivered hereunder one fully registered note, without interest coupons, dated March 15, 2010, in the principal amount stated in Section 1 above, numbered T-1 (the "**Initial Note**"), with notes issued in replacement thereof being in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof and numbered consecutively from R-1 upward, payable to the initial registered owner thereof (with the Initial Note being payable to the initial purchaser designated in Section 12 hereof), or to the registered assignee or assignees of said Notes or any portion or portions thereof (in each case, the "**Registered Owner**"), and said Notes shall mature and be payable on **September 1, 2011**. The term "**Notes**" as used in this Ordinance shall mean and include collectively the Initial Note initially issued and delivered pursuant to this Ordinance and all substitute notes exchanged therefor, as well as all other substitute notes and replacement notes issued pursuant hereto, and the term "**Note**" shall mean any of the Notes.

SECTION 3. INTEREST. The Notes shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the date specified in the FORM OF NOTE set forth in this Ordinance to their date of maturity at the rate of **5.50%** per annum. 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 NOTES. (a) Registration, Transfer, and Exchange; Authentication. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office (initially located in Liberty, Texas) of **PROSPERITY BANK** (the "**Paying Agent/Registrar**"), books or records for the registration of the transfer and exchange of the Notes (the "**Registration Books**"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, and exchanges as herein provided. Attached hereto as Exhibit A is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor and City Secretary of the City are

hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Note to which payments with respect to the Notes shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying 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 Notes 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 Note or Notes shall be paid as provided in the FORM OF NOTE set forth in this Ordinance. Registration of assignments, transfers and exchanges of Notes shall be made in the manner provided and with the effect stated in the FORM OF NOTE set forth in this Ordinance. Each substitute Note shall bear a letter and/or number to distinguish it from each other Note.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Note, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Note shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Notes and Notes 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 Note or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Notes in the manner prescribed herein, and said Notes shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Notes as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of such Notes, the transferred and exchanged Notes shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Notes 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 Notes and Interest.* The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the payment of the principal of and interest on the Notes, 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 Notes, and of all transfers and exchanges of Notes, and all replacements of Notes, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (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 (5) business days prior to the Special Record Date

by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) *In General*. The Notes (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Notes to be payable only to the Registered Owners thereof, (ii) may be transferred and assigned, (iii) may be exchanged for other Notes, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) shall be payable as to principal and interest, and (vii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Notes, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF NOTE set forth in this Ordinance. The Initial Note is not required to be, and shall not be, authenticated by the Paying Agent/ Registrar, but on each substitute Note issued in exchange for the Initial Note 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 NOTE. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Note 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 NOTE 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 Note 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 Notes that at all times while the Notes 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 Notes under this Ordinance, and that the Paying Agent/Registrar will be one entity. 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 Notes, 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 Notes, 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) *Delivery of Initial Note*. On the closing date, one Note representing the entire

principal amount of the Notes and, payable at the stated maturity to the initial registered owner named in Section 12 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and 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 Notes, the Paying Agent/Registrar shall cancel the Initial Note and deliver to the initial registered owner or its designee one registered definitive Note in the aggregate principal amount of all of the Notes.

SECTION 5. FORM OF NOTE. The form of Note, 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 Initial Note shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

FORM OF NOTE

R-	UNITED STATES OF AMERICA STATE OF TEXAS COUNTY OF LIBERTY CITY OF LIBERTY, TEXAS TAX NOTES, TAXABLE SERIES 2010	PRINCIPAL AMOUNT \$1,000,000
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INTEREST	DATE OF SERIES	
RATE MATURITY DATE		
5.50%	September 1, 2011	April 15, 2010

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, the **CITY OF LIBERTY, TEXAS** (the "**City**"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "**Registered Owner**"), the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from the date of initial delivery of the Series of Notes of which this Note is a part (as shown on the records of the "Paying Agent/Registrar" described below) at the Interest Rate per annum specified above, payable on the Maturity Date specified above.

THE PRINCIPAL OF AND INTEREST ON THIS NOTE are payable in lawful money of the United States of America, without exchange or collection charges. The principal of and interest on this Note shall be paid to the Registered Owner hereof upon presentation and surrender of this Note at maturity at the designated corporate trust or commercial banking office (the "**Designated Office**," which initially is located in Liberty, Texas) of **PROSPERITY BANK**, which is the "**Paying Agent/Registrar**" for this Note. Such payment shall be drawn by the

Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance adopted by the City authorizing the issuance of this Note and the series of which it is a part (the "**Note Ordinance**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided. 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. The City covenants with the Registered Owner of this Note that on or before the Maturity Date of this Note it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Note Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Notes, when due.

IF THE DATE FOR THE PAYMENT of the principal of and interest on this Note shall be a Saturday, Sunday, legal holiday, or 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, or the United States Postal Service is not open for business, 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, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS NOTE IS ONE OF A SERIES OF NOTES, dated April 15, 2010, authorized and issued in accordance with the Constitution and laws of the State of Texas, including Chapter 1431, Texas Government Code, as amended, in the principal amount of **\$1,000,000 TO PROVIDE FUNDS TO ACQUIRE, CONSTRUCT AND EQUIP EXTENSIONS AND IMPROVEMENTS TO THE CITY'S ELECTRIC SYSTEM DEEMED NECESSARY TO PROVIDE ELECTRIC SERVICE TO A NEW COMMERCIAL CUSTOMER AND TO PAY COSTS OF ISSUANCE**.

ALL NOTES OF THIS SERIES are issuable solely as fully registered Notes, without interest coupons, in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof (an "**Authorized Denomination**"). As provided in the Note Ordinance, this Note may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred and exchanged for a like aggregate principal amount of fully registered Notes, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same Authorized Denomination of Authorized Denominations as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Note to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Note Ordinance. Among other requirements for such assignment and transfer, the Registered Owner must provide the City and the Paying Agent/Registrar with an investment letter, executed by the transferee, similar in content and effect to the original investment letter provided by **PROSPERITY BANK** (as the original purchaser of this Note), and this Note must be presented and surrendered to the Paying Agent/Registrar at the Designated Office, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Note or any portion or portions hereof in an Authorized Denomination to the assignee or assignees in whose name or names this Note or any such portion or portions hereof is or are to be registered. The form of

Assignment printed or endorsed on this Note 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 Note 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 transferring and exchanging any Note or portion thereof shall be paid by the City, but any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer or exchange as a condition precedent to the exercise of such privilege.

IN THE EVENT any Paying Agent/Registrar for the Notes is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Note 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 Notes.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Note 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 Note have been performed, existed, and been done in accordance with law; that this Note 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 Note, 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 ALSO HAS RESERVED THE RIGHT to amend the Note 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 Notes.

BY BECOMING THE REGISTERED OWNER of this Note, the Registered Owner thereby acknowledges all of the terms and provisions of the Note Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Note 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 Note and the Note Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Note 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 Note.

(facsimile signature)
City Secretary
City of Liberty, Texas

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

(SEAL)

**FORM OF REGISTRATION CERTIFICATE
OF THE COMPTROLLER OF PUBLIC ACCOUNTS**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Note has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Note has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Note 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 Note has been issued under the provisions of the Note Ordinance described in the text of this Note; and that this Note has been issued in exchange for a note or notes, or a portion of a note or notes 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: _____

Prosperity Bank
Liberty, Texas
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF ASSIGNMENT**ASSIGNMENT**

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

/_____/_____

(Assignee's Social Security or
Taxpayer Identification Number)

(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 Note 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 Note in every particular, without alteration or enlargement or any
change whatsoever.

SECTION 6. INTEREST AND SINKING FUND; TAX LEVY; SECURITY INTEREST. (a) Interest and Sinking Fund; Tax Levy. A special Interest and Sinking Fund (the "*Interest and Sinking Fund*") is hereby created solely for the benefit of the Notes, and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City for so long as the Notes or interest thereon are outstanding and unpaid. The 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 principal of the Notes. Until expended for the purposes set forth in Section 1 hereof, the proceeds derived from the sale of the Notes shall be held as further security for the timely payment of the principal and interest on the Notes. All ad valorem taxes levied and collected for and on account of the Notes and all accrued interest and premium on the Notes received by the City from the initial purchaser of the Notes, if any, shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Notes or interest thereon are outstanding and unpaid, the City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient, together with other moneys deposited to the credit of the Interest and Sinking Fund, to raise and produce the money required to pay the interest on the Notes as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of the Notes as such principal matures (but never less than 2% of the original principal amount of the Notes 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 Notes 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 aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Notes, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limits provided by law.

(b) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Notes 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 Notes are outstanding and unpaid such that the pledge of the ad valorem taxes granted by 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 Notes 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. CONSTRUCTION FUND. There is hereby created and established in the depository of the City a fund to be called the *City of Liberty, Texas Tax Notes (Taxable Series 2010) Construction Fund* (herein called the "**Construction Fund**"). All proceeds from the sale and delivery of any Note (excluding accrued interest and premium on such Notes, if any, which shall be deposited into the Interest and Sinking Fund) shall be deposited into the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the City for payment of all costs incurred in carrying out the purpose for which the Notes are issued and for paying costs of issuance of the Notes. All funds remaining on deposit in the Construction Fund upon completion of the purposes for which the Notes were issued shall be transferred to the Interest and Sinking Fund.

SECTION 8. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction 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 in the Public Funds Investment Act (Chapter 2256, Texas Government Code) and in compliance with 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 date the funds from such investments will be required to pay principal and interest next coming due, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the City reasonably expects the funds from such investments will be required to pay costs of the projects for which the Notes were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the City and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Notes. It is further provided, however, that any interest earnings on Note proceeds which are required to be rebated to the United States of America pursuant to Section 12 hereof in order to prevent the Notes from being arbitrage bonds shall be

so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 9. DEFEASANCE OF NOTES. (a) Defeased Notes. Any Note and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "**Defeased Note**") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Note, 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 (or another entity permitted by Section 1207.061, Texas Government Code, as amended, or other applicable law, which entity, together with the Paying Agent/Registrar, is referred to collectively in this Section as the "**Defeasance Agent**"), in accordance with an escrow agreement or other instrument (the "**Future Escrow Agreement**") for such payment (1) lawful money of the United States of America sufficient to make such payment 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 Defeasance Agent for the payment of its services until all Defeased Notes shall have become due and payable. At such time as a Note shall be deemed to be a Defeased Note hereunder, as aforesaid, such Note and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) Investment in Defeasance Securities. Any moneys so deposited with the Defeasance Agent 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 Defeasance Agent that is not required for the payment of the Notes 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 Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Notes 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 Defeasance Agent which is not required for the payment of the Defeased Notes, 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) 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 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 Notes.

(d) Paying Agent/Registrar Services. Until all Defeased Notes shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Notes 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 Notes for Defeasance. In the event that the City elects to defease less than all of the principal amount of Notes of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Notes by such random method as it deems fair and appropriate.

SECTION 10. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED NOTES.

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

(b) Application for Replacement Notes. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Notes shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Note, the Registered Owner applying for a replacement Note 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 Note, 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 Note, as the case may be. In every case of damage or mutilation of a Note, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Note so damaged or mutilated.

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

(d) Charge for Issuing Replacement Notes. Prior to the issuance of any replacement Note, the Paying Agent/Registrar shall charge the Registered Owner of such Note with all legal, printing, and other expenses in connection therewith. Every replacement Note issued pursuant to the provisions of this Section by virtue of the fact that any Note is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Note 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 Notes duly issued under this Ordinance.

(e) Authority for Issuing Replacement Notes. In accordance with Chapter 1206, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Note 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 Notes is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Notes in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Notes issued in exchange for other Notes.

SECTION 11. CUSTODY, APPROVAL, AND REGISTRATION OF NOTES; BOND COUNSEL'S OPINION, INSURANCE, AND CUSIP NUMBERS. The Mayor of the City, on behalf of the City, is hereby authorized to have control of the Notes initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Notes 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 Notes 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 Notes, 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 and the assigned CUSIP numbers, if any, may, at the option of the City, be printed on the Notes issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Notes. In addition, if municipal bond insurance is obtained, the Notes may bear an appropriate legend as provided by the insurer.

SECTION 12. SALE OF NOTES. The Notes are hereby initially sold and shall be delivered to **PROSPERITY BANK** (the "**Purchaser**"), for cash for the par value thereof plus accrued interest from April 15, 2010 to the date of initial delivery, pursuant to a *Purchase Contract and Investment Letter*, in substantially the form attached hereto as *Exhibit B*, which the Mayor, the Mayor Pro-Tem, and the City Manager of the City are hereby authorized to accept, approve all changes, and execute on behalf of the City. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable. The Notes initially shall be registered in the name of **PROSPERITY BANK**.

SECTION 13. NO RULE 15c2-12 UNDERTAKING; ANNUAL FINANCIAL STATEMENTS. The City has not made an undertaking in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**") in connection with the issuance of the Notes inasmuch as the Purchaser is not acting as an "underwriter in a primary offering of municipal securities" within the meaning of the Rule. The City is not, therefore, obligated pursuant to the Rule to provide any on-going disclosure relating to the City or the Notes; however, so long as the Purchaser or its assignee is the sole Registered Owner of the Notes, unless waived by the Purchaser, the City shall provide the following to the Purchaser:

- (a) Audited financial statements, to be provided within 270 days after the close of each City fiscal year ending on and after September 30, 2010, and
- (b) Such other financial information regarding the City as the Purchaser shall

reasonably request.

SECTION 14. FURTHER PROCEDURES. The Mayor, Mayor Pro-Tem, City Manager, and City Secretary of the City and all other officers, employees, and agents of the City, and each of them, shall be and they 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 and the Notes. In addition, prior to the initial delivery of the Notes, the Mayor, City Manager, and City Secretary of the City, and the City's Bond Counsel 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, (ii) obtain a rating from any of the national bond rating agencies, if any rating is obtained, or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Notes by the Attorney General of the State of Texas. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 15. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Registered Owners of the Notes, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Note remains outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners (other than the Purchaser as long as the Purchaser is a Registered Owner, in which case the City must receive the Purchaser's prior written consent to), 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 Notes 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 Notes, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Note over any other Note, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Notes 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 Notes 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 16. DEFAULTS AND REMEDIES. 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 Notes, (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, 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 Notes 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 17. 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 Notes, 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 Notes.

SECTION 18. 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 19. SEVERABILITY. The provisions of this Ordinance are severable and if any provision or the applicability thereof to any person or circumstance is ever held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Ordinance and the application of such provisions to other persons or circumstances shall not be affected thereby.

SECTION 20. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately upon 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 ON THE 13TH DAY OF APRIL, 2010, AT WHICH
MEETING A QUORUM WAS PRESENT.***

ATTEST:

City Secretary

Mayor

(City Seal)

** ** ** ** **

[EXECUTION PAGE TO TAXABLE SERIES 2010 NOTE ORDINANCE]

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Certificates of Obligation

8.A.7

ORDINANCE (ID # 1644)

DOC ID: 1644 A

Consider Adoption of an Ordinance Authorizing the Issuance, Sale and Delivery of \$2,565,000 in Aggregate Principal Amount of City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2010; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax and a Pledge of Certain Surplus Revenues of the City's Electric System; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, a Purchase Contract and Investment Letter, and All Other Instruments and Procedures Related Thereto.

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$2,565,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF LIBERTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2010; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY'S ELECTRIC SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE CONTRACT AND INVESTMENT LETTER, AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

**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, the City Council of the City hereby determines that it is necessary and desirable to acquire, construct and equip extensions and improvements to the City's electric system deemed necessary to provide electric service to a new commercial customer (the "**Project**"); and

WHEREAS, the City Council of the City intends to finance the Projects from proceeds derived from the sale of Certificates of Obligation issued by the City pursuant to Sections 271.041 - 271.065, Texas Local Government Code, as amended; and

WHEREAS, on February 9, 2010, the City Council adopted a resolution authorizing and directing the City Secretary to give notice of intention to issue Certificates of Obligation; and

WHEREAS, said notice has been duly published in *The Vindicator*, which is a newspaper of general circulation in the City in its issues of February 18, 2010, and February 25, 2010; and

WHEREAS, the notices that were published as described in the preceding recital stated that the City Council proposed to authorize the issuance of such Certificates of Obligation at a Special Meeting to be held on Tuesday, March 23, 2010; and

WHEREAS, the agenda for the City Council's Special Meeting on March 23, 2010, included an item regarding the consideration of an ordinance to authorize the issuance of such Certificates of Obligation but also stated that such item was expected to be tabled to a later date, and the tabling of such item to a Regular Meeting to be held on Tuesday, April 13, 2010, beginning at 6:00 p.m. was announced by City officials while the City Council was in open session on March 23, 2010; and

WHEREAS, the City received no petition signed by at least five percent of the qualified electors of the City protesting the issuance of such Certificates of Obligation; and

WHEREAS, it is considered to be in the best interest of the City that said interest bearing Certificates of Obligation be issued; 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;

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

SECTION 1. AMOUNT AND PURPOSE OF THE CERTIFICATES OF OBLIGATION. The certificate of obligation or certificates of obligation of the City further described in Section 2 of this Ordinance and referred to herein as the "Certificates of Obligation" are hereby authorized to be issued and delivered in the aggregate principal amount of **\$2,565,000 FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO ACQUIRE, CONSTRUCT AND EQUIP EXTENSIONS AND IMPROVEMENTS TO THE CITY'S ELECTRIC SYSTEM DEEMED NECESSARY TO PROVIDE ELECTRIC SERVICE TO A NEW COMMERCIAL CUSTOMER AND TO PAY COSTS OF ISSUANCE.**

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE CERTIFICATES OF OBLIGATION. Each certificate of obligation issued pursuant to and for the purpose described in Section 1 of this Ordinance shall be designated: **CITY OF LIBERTY, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2010**, and initially there shall be issued, sold and delivered hereunder one fully registered certificate of obligation, without interest coupons, dated April 15, 2010, in the aggregate principal amount of **\$2,565,000**, numbered T-1 (the "**Initial Certificate of Obligation**"), with certificates of obligation issued in replacement thereof being in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the

Initial Certificate of Obligation being payable to the initial purchaser designated in Section 14 hereof), or to the registered assignee or assignees of said certificates of obligation or any portion or portions thereof (in each case, the "**Registered Owner**"), and the certificates of obligation shall mature and be payable serially on September 1 in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)	YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)
2012	1,000,000	2017	200,000
2013	160,000	2018	210,000
2014	170,000	2019	220,000
2015	180,000	2020	235,000
2016	190,000	***	***

The term "**Certificates of Obligation**" as used in this Ordinance shall mean and include the Certificates of Obligation initially issued and delivered pursuant to this Ordinance and all substitute certificates of obligation exchanged therefor, as well as all other substitute certificates of obligation and replacement certificates of obligation issued pursuant hereto, and the term "**Certificate of Obligation**" shall mean any of the Certificates of Obligation.

SECTION 3. INTEREST. The Certificates of Obligation 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 CERTIFICATE OF OBLIGATION set forth in this Ordinance to their respective dates of maturity or prior redemption at the rate of **5.50%** per annum. Said interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance.

SECTION 4. CHARACTERISTICS OF THE CERTIFICATES OF OBLIGATION; APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT. (a) Registration, Transfer, and Exchange; Authentication. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office (currently located in Liberty, Texas) of **PROSPERITY BANK** (the "**Paying Agent/Registrar**") books or records for the registration of the transfer and exchange of the Certificates of Obligation (the "**Registration Books**"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Attached hereto as *Exhibit A* is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor, Mayor Pro-Tem and City Secretary of the City are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate of Obligation to which payments with respect to the Certificates of Obligation shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying 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 Certificates of Obligation 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 Certificate of Obligation or Certificates of Obligation shall be paid as provided in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance. Registration of assignments, transfers and exchanges of Certificates of Obligation shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. Each substitute Certificate of Obligation shall bear a letter and/or number to distinguish it from each other Certificate of Obligation.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate of Obligation, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Certificate of Obligation shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates of Obligation and Certificates of Obligation 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 Certificate of Obligation or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates of Obligation in the manner prescribed herein, and said Certificates of Obligation shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Certificates of Obligation as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Certificate of Obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates of Obligation 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 Certificates of Obligation 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 Certificates of Obligation, 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 Certificates of Obligation.

(c) In General. The Certificates of Obligation (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates of Obligation to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates of Obligation, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal and interest, and

(viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Certificates of Obligation, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. The Initial Certificate of Obligation is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate of Obligation issued in exchange for the Initial Certificate of Obligation 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 CERTIFICATE OF OBLIGATION. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Certificate of Obligation 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 CERTIFICATE OF OBLIGATION below, manually executed by the Comptroller of Public Accounts of the State of Texas or by her duly authorized agent, which certificate shall be evidence that the Initial Certificate of Obligation 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 Certificates of Obligation that at all times while the Certificates of Obligation 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 Certificates of Obligation 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 Certificates of Obligation, 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 Certificates of Obligation, 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) Delivery of Initial Certificate of Obligation. On the closing date, one Initial Certificate of Obligation representing the entire principal amount of the Certificates of Obligation, payable in stated installments to the initial registered owner named in Section 14 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and 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 Initial Certificate of Obligation, the Paying Agent/Registrar shall cancel the Initial Certificate of Obligation and deliver to the initial registered owner or its designee one registered definitive Certificate of Obligation for each year of maturity of the Certificates of Obligation, in the aggregate principal amount of all of the Certificates of Obligation for such maturity.

SECTION 5. FORM OF CERTIFICATE OF OBLIGATION. The form of the Certificates of Obligation, 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 Certificates of Obligation 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 CERTIFICATE OF OBLIGATION

R-

PRINCIPAL AMOUNT

\$ _____

UNITED STATES OF AMERICA

STATE OF TEXAS

COUNTY OF LIBERTY

CITY OF LIBERTY, TEXAS

COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION

TAXABLE SERIES 2010

INTEREST RATE

____%

MATURITY DATE

September 1, 20__

DATE OF SERIES April

15, 2010

REGISTERED OWNER:**PRINCIPAL AMOUNT:**

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 specified above, or registered assigns (hereinafter called the "**Registered Owner**"), the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from April 15, 2010, at the Interest Rate per annum specified above, payable on September 1, 2011, and semiannually on each March 1 and September 1 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except that if this Certificate of Obligation 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 Certificate of Obligation or Certificates of Obligation, if any, for which this Certificate of Obligation is being exchanged is due but has not been paid, then this Certificate of Obligation shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate of Obligation are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate of Obligation shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate of Obligation at maturity or upon the date fixed for redemption prior to maturity, at the designated corporate trust or commercial banking office (the "**Designated Office**," which initially is located in Liberty, Texas) of **PROSPERITY BANK**, which is the "**Paying Agent/Registrar**" for this Certificate of Obligation. The payment of interest on this Certificate of Obligation shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the Ordinance authorizing the issuance of this Certificate of Obligation (the "**Ordinance**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check 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 15th 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 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 (the "**Special Payment Date**" 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 Registered Owner appearing on the Registration Books of the Paying Agent/Registrar at the close of business on the last business day next

preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Certificate of Obligation prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate of Obligation for redemption and payment at the Designated Office of the Paying Agent/Registrar (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Certificates of Obligation shall be payable in the regular manner described above). The City covenants with the Registered Owner of this Certificate of Obligation that on or before each principal payment date, interest payment date and accrued interest payment date for this Certificate of Obligation it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates of Obligation, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate of Obligation shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, 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, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE OF OBLIGATION is one of a series of Certificates of Obligation, dated as of April 15, 2010, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of **\$2,565,000 FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO ACQUIRE, CONSTRUCT AND EQUIP EXTENSIONS AND IMPROVEMENTS TO THE CITY'S ELECTRIC SYSTEM DEEMED NECESSARY TO PROVIDE ELECTRIC SERVICE TO A NEW COMMERCIAL CUSTOMER AND TO PAY COSTS OF ISSUANCE.**

ON SEPTEMBER 1, 2015, or on any date thereafter, the Certificates of Obligation of this Series maturing on and after September 1, 2016, 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 a Certificate of Obligation may be redeemed only in an integral multiple of \$100,000 or \$5,000 in excess thereof), at the redemption price of the principal amount of Certificates of Obligation called for redemption, plus accrued interest thereon to the date fixed for redemption. The City shall determine the maturity or maturities, and the principal amount of Certificates of Obligation within each maturity, to be redeemed. If less than all Certificates of Obligation of a maturity are to be redeemed, the particular Certificates of Obligation to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

AT LEAST 30 DAYS prior to the date fixed for any redemption of Certificates of Obligation 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 to the Registered Owner of each Certificate of Obligation 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 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 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 Certificates of Obligation 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 Certificates of Obligation 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 Certificate of Obligation shall be redeemed a substitute Certificate of Obligation or Certificates of Obligation having the same maturity date, bearing interest at the same rate, in any denomination or denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof, 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 Ordinance.

ALL CERTIFICATES OF OBLIGATION OF THIS SERIES are issuable solely as fully registered Certificates of Obligation, without interest coupons, in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof (an "***Authorized Denomination***"). As provided in the Ordinance, this Certificate of Obligation may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred and exchanged for a like aggregate principal amount of fully registered Certificates of Obligation, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same Authorized Denomination of Authorized Denominations as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate of Obligation to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, the Registered Owner must provide the City and the Paying Agent/Registrar with an investment letter, executed by the transferee, similar in content and effect to the original investment letter provided by **PROSPERITY BANK** (as the original purchaser of this Certificate of Obligation), and this Certificate of Obligation must be presented and surrendered to the Paying Agent/Registrar at the Designated Office, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate of Obligation or any portion or portions hereof in an Authorized Denomination to the assignee or assignees in whose name or names this Certificate of Obligation or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate of Obligation 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 Certificate of Obligation 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 transferring and exchanging any Certificate of Obligation or portion thereof shall be paid by the City, but any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer or exchange as a condition precedent to the exercise of such privilege.

IN THE EVENT any Paying Agent/Registrar for the Certificates of Obligation is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the 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 Certificates of Obligation.

IT IS HEREBY certified, recited, and covenanted that this Certificate of Obligation 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 Certificate of Obligation have been performed, existed, and been done in accordance with law; that this Certificate of Obligation 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 Certificate of Obligation, 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 prescribed by law and that this Certificate of Obligation is additionally secured by a lien on and pledge of Surplus Revenues received by the City from the ownership and operation of the City's Electric System, all as provided in the Ordinance authorizing the Certificates of Obligation.

THE CITY also has reserved the right to amend the 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 Certificates of Obligation.

BY BECOMING the Registered Owner of this Certificate of Obligation, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the 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 Certificate of Obligation and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate of Obligation 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 the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate of Obligation.

Countersigned:

(facsimile signature)
City Secretary, City of Liberty, Texas

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

(CITY SEAL)

**FORM OF REGISTRATION CERTIFICATE
OF THE COMPTROLLER OF PUBLIC ACCOUNTS:**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Certificate of Obligation has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Certificate of Obligation has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate of Obligation 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 Certificate of Obligation has been issued under the provisions of the Ordinance described in the text of this Certificate of Obligation; and that this Certificate of Obligation has been issued in exchange for a certificate of obligation or certificates of obligation, or a portion of a certificate of obligation or certificates of obligation 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

PROSPERITY BANK
Liberty, Texas
Paying Agent/Registrar

By _____
Authorized Representative

[The remainder of this page intentionally left blank]

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Certificate of Obligation, or duly authorized representative or attorney thereof, hereby sells, assigns and transfers this Certificate of Obligation and all rights hereunder unto

/ _____ /

(Assignee's Social Security or
Taxpayer Identification Number)

(Please print or typewrite Assignee's name and address,
including zip code)

and hereby irrevocably constitutes and appoints _____
attorney to transfer the registration of this Certificate of Obligation on the Paying
Agent/Registrar's Registration Books 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 Certificate of Obligation in every particular, without alteration or
enlargement or any change whatsoever.

INITIAL CERTIFICATE OF OBLIGATION INSERTIONS

The Initial Certificate of Obligation shall be in the form set forth above except that:

(A) Immediately under the name of the Certificate of Obligation, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below."

(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 municipal corporation 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 April 15, 2010, at the respective Interest Rates per annum specified below, payable on September 1, 2011, and semiannually on each March 1 and September 1 thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Certificate of Obligation are set forth in the following schedule:

MATURITY DATE (SEPTEMBER 1)	PRINCIPAL INSTALLMENT	INTEREST RATE	MATURITY DATE (SEPTEMBER 1)	PRINCIPAL INSTALLMENT	INTEREST RATE

[Insert principal and interest information from Sections 2 and 3 above]"

(C) The Initial Certificate of Obligation shall be numbered "T-1."

SECTION 6. INTEREST AND SINKING FUND; TAX LEVY. A special Interest and Sinking Fund for the Certificates of Obligation (the "**Interest and Sinking Fund**") is hereby created solely for the benefit of the Certificates of Obligation, and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City. The 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 principal of the Certificates of Obligation. All ad valorem taxes levied and collected for and on account of the Certificates of Obligation shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid, the City shall compute and ascertain a rate and amount of ad valorem tax which, together with "Surplus Revenues" with respect to the Certificates of Obligation (as described in Section 7 below) budgeted to pay principal and interest coming due during such fiscal year, will be sufficient to raise and produce the money required to pay the interest on the Certificates of Obligation as such interest comes due, and to provide and maintain a sinking fund adequate to

pay the principal of its Certificates of Obligation as such principal matures (but never less than 2% of the original principal amount of the Certificates of Obligation 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 Certificates of Obligation 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 respective Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificates of Obligation, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

SECTION 7. SURPLUS REVENUES. Pursuant to Section 271.052, Texas Local Government Code, as amended, and Chapter 1502, Texas Government Code, as amended, the Certificates of Obligation additionally shall be payable from and secured by surplus revenues derived by the City from the City's Electric System remaining after (a) payment of all amounts constituting operation and maintenance expenses of said Electric System, and (b) payment of all debt service, reserve, and other requirements and amounts required to be paid under all ordinances heretofore or hereafter authorizing (i) all bonds and (ii) all other obligations not on a parity with the Certificates of Obligation, which are payable from and secured by any Electric System revenues, and (c) payment of all amounts payable from any Electric System revenues pursuant to contracts heretofore or hereafter entered into by the City in accordance with law (the "**Surplus Revenues**"). If for any reason the City fails to deposit ad valorem taxes levied pursuant to Section 6 hereof to the credit of the Interest and Sinking Fund in an amount sufficient to pay, when due, the principal of and interest on the Certificates of Obligations, then Surplus Revenues may be deposited to the credit of the Interest and Sinking Fund and used to pay such principal and/or interest. The City reserves, and shall have, the right to issue bonds and other obligations not on a parity with the Certificates of Obligation, and to enter into contracts, in accordance with applicable laws, to be payable from and secured by any Electric System revenues.

SECTION 8. CONSTRUCTION FUND. There is hereby created and established in the depository of the City, a fund to be called the *City of Liberty, Texas Combination Tax and Revenue Certificates of Obligation (Taxable Series 2010) Construction Fund* (herein called the "**Construction Fund**"). Proceeds from the sale and delivery of the Certificates of Obligation (other than proceeds representing accrued interest on the Certificates of Obligation and any premium on the Certificates of Obligation 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, which shall be deposited in the Interest and Sinking Fund) shall be deposited in the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the City for payment of all costs incurred in carrying out the purpose for which the Certificates of Obligation are issued, including but not limited to costs for construction, engineering, architecture, financing, financial consultants and legal services related to the project being financed with proceeds of the Certificates of Obligation and the issuance of the Certificates of Obligation. All funds remaining on deposit in the Construction Fund upon completion of the projects being financed with the proceeds from the Certificates of Obligation, if any, shall be transferred to the Interest and Sinking Fund.

SECTION 9. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction 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 for which such funds are required, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the City reasonably expects the funds from such investments will be required to pay costs of the projects for which the Certificates of Obligation were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the City and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Certificates of Obligation.

SECTION 10. EMPOWERED. The City Manager and Director of Finance are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

SECTION 11. DEFEASANCE OF THE CERTIFICATES OF OBLIGATION. (a) *Defeasance.* Any Certificate of Obligation and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "**Defeased Certificate of Obligation**") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate of Obligation, 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 Escrow Agreement**") for such payment (1) lawful money of the United States of America sufficient to make such payment 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 Certificates of Obligation shall have become due and payable. At such time as a Certificate of Obligation shall be deemed to be a Defeased Certificate of Obligation hereunder, as aforesaid, such Certificate of Obligation and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Certificates of Obligation that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Certificates of Obligation for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates of Obligation immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(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 Certificates of Obligation 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 Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates of Obligation 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 Certificates of Obligation, 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 Certificates of Obligation.

(d) Duties of Paying Agent/Registrar. Until all Defeased Certificates of Obligation shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates of Obligation 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 Certificates of Obligation to be Defeased. In the event that the City elects to defease less than all of the principal amount of Certificates of Obligation of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates of Obligation by such random method as it deems fair and appropriate.

SECTION 12. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES OF OBLIGATION. (a) Replacement Certificates of Obligation. In the event any outstanding Certificate of Obligation is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new certificate of obligation of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Certificate of Obligation, in replacement for such Certificate of

Obligation in the manner hereinafter provided.

(b) Application for Replacement Certificates of Obligation. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Certificates of Obligation shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner applying for a replacement certificate of obligation 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 Certificate of Obligation, 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 Certificate of Obligation, as the case may be. In every case of damage or mutilation of a Certificate of Obligation, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate of Obligation so damaged or mutilated.

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

(d) Charge for Issuing Replacement Certificates of Obligation. Prior to the issuance of any replacement certificate of obligation, the Paying Agent/Registrar shall charge the registered owner of such Certificate of Obligation with all legal, printing, and other expenses in connection therewith. Every replacement certificate of obligation issued pursuant to the provisions of this Section by virtue of the fact that any Certificate of Obligation is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Certificate of Obligation 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 Certificates of Obligation duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates of Obligation. 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 certificate of obligation 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 certificates of obligations is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates of Obligation in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Certificates of Obligation issued in exchange for other Certificates of Obligation.

SECTION 13. CUSTODY, APPROVAL, AND REGISTRATION OF THE CERTIFICATES OF OBLIGATION; BOND COUNSEL'S OPINION, BOND INSURANCE, AND CUSIP NUMBERS. The Mayor or Mayor Pro-Tem of the City is hereby authorized to have control of the Certificates of Obligation initially issued and delivered

hereunder and all necessary records and proceedings pertaining to the Certificates of Obligation 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 Certificates of Obligation 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 Certificates of Obligation, 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), a statement regarding the issuance of a municipal bond insurance policy to secure payment of debt service on the Certificates of Obligation, if any, and the assigned CUSIP numbers, if any, may, at the option of the City, be printed on the Certificates of Obligation issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates of Obligation.

SECTION 14. SALE AND DELIVERY OF THE CERTIFICATES OF OBLIGATION. The Certificates of Obligation are hereby initially sold and shall be delivered to **PROSPERITY BANK** (the "**Purchaser**"), for cash for the par value thereof plus accrued interest from April 15, 2010 until the date of initial delivery thereof, pursuant to a *Purchase Contract and Investment Letter*, in substantially the form attached hereto as *Exhibit B*, which the Mayor, the Mayor Pro-Tem, and the City Manager of the City are each hereby authorized to accept, approve all changes, and execute on behalf of the City. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable. The Certificates of Obligation initially shall be registered in the name of **PROSPERITY BANK**.

SECTION 15. NO RULE 15c2-12 UNDERTAKING; ANNUAL FINANCIAL STATEMENTS. The City has not made an undertaking in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**") in connection with the issuance of the Certificates of Obligation inasmuch as the Purchaser is not acting as an "underwriter in a primary offering of municipal securities" within the meaning of the Rule. The City is not, therefore, obligated pursuant to the Rule to provide any on-going disclosure relating to the City or the Certificates of Obligation; however, so long as the Purchaser or its assignee is the sole Registered Owner of the Certificates of Obligation, unless waived by the Purchaser, the City shall provide the following to the Purchaser:

- (a) Audited financial statements, to be provided within 270 days after the close of each City fiscal year ending on and after September 30, 2010, and
- (b) Such other financial information regarding the City as the Purchaser shall reasonably request.

SECTION 16. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, Mayor Pro-Tem, City Secretary, City Manager and Director of Finance of the City, and all other officers, employees, and agents of the City, and each of them, shall be and they 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 Certificates of Obligation, the sale of the Certificates of Obligation, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Certificates of Obligation, the Mayor, Mayor Pro-Tem, City Manager, City Secretary, and Bond Counsel 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, (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 Certificates of Obligation by the Attorney General's office. In case any officer whose signature shall appear on any Certificate of Obligation shall cease to be such officer before the delivery of such Certificate of Obligation, 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 Director of Finance of the City is further authorized to pay to the Attorney General of Texas prior to the delivery of the Certificates of Obligation, for the Attorney General's review of the transcript of proceedings related to the Certificates of Obligation, the amount required pursuant to Section 1202.004, Texas Government Code, as amended.

SECTION 17. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Registered Owners of the Certificates of Obligation, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Certificate of Obligation 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 Certificates of Obligation 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 Certificates of Obligation, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Certificate of Obligation over any other Certificate of Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Certificates of Obligation 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 Certificates of Obligation 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 18. SECURITY INTEREST. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the ad valorem taxes and Surplus Revenues granted by the City under Sections 6 and 7 of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates of Obligation are outstanding and unpaid such that the pledge of the ad valorem taxes or Surplus Revenues granted by the City under Sections 6 and 7 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 Certificates of Obligation 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 19. 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 Certificates of Obligation, (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, 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 Certificates of Obligation 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 20. 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, the Underwriters and the registered owners of the Certificates of Obligation, 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, the Underwriters and the registered owners of the Certificates of Obligation.

SECTION 21. 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 22. 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 23. 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.

[The remainder of this page left blank intentionally.]

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS AT A REGULAR MEETING ON THE 13TH DAY OF APRIL, 2010, AT WHICH MEETING A QUORUM WAS PRESENT.

ATTEST:

City Secretary

Mayor

(City Seal)

** ** ** ** **

[SIGNATURE PAGE TO CERTIFICATE OF OBLIGATION ORDINANCE]

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B

FORM OF PURCHASE CONTRACT AND INVESTMENT LETTER



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.8

Meeting: 04/13/10 06:00 PM

Department: Inspection
Category: Plats

COUNCIL ACTION (ID # 1630)

DOC ID: 1630

Consider Approval of the Final Plat of the Zarate Subdivision.

EXPLANATION:

Heather Henicke with H & H Professional Land Services presented a final plat for consideration. The plat is in the existing Abshire Subdivision, allowing it to be presented in the Short Form Process, eliminating the preliminary phase.

Currently, Lot 61, of the Abshire Subdivision is 50' x 182.50', and extends from Sue Street to Canfield Street. This subdivision of property will create a 50' x 91.25' lot facing Canfield Street (Lot 2) and enlarge the portion (Lot 1) facing Sue to have 100' of road frontage and being 91.25' deep. The reason for subdividing the property is to create one large lot (Lot 1) so that the property owner can enlarge the existing home in the future and to give Ms. Gayle Jones the option to purchase the portion beside her home to enlarge her area as well.

The plat was reviewed by the Planning and Zoning Commission on March 16, 2010 and was unanimously approved.

Candy Motschman

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**CITY OF LIBERTY
ADMINISTRATOR'S/CITY INSPECTOR'S/
PLANNING DIRECTOR'S
RECOMMENDATION TO PLANNING COMMISSION**

RE: **Final Plat of the Zarate Subdivision**
Subdivision Name

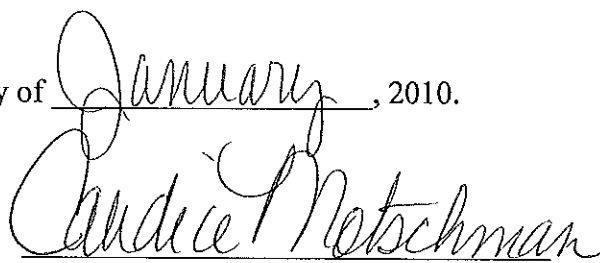
The City Staff, by and through its Administrator/City Inspector/Planning Director, does herein aggregate the preliminary plat of the above proposed subdivision and the attached accompanying data and refers same to the City of Liberty Planning Commission with the following recommendations as to modifications, additions or alterations of such plat and/or data:

☒ No recommendations as to modifications, additions or alterations.

-or-

☐ The following recommendations, modifications, additions or alterations:

SIGNED this the 29th day of January, 2010.


Administrator/City Inspector, Planning Director

Attachment: Zarate Subdivision (1630 : Zarate Subdivision)

**CITY OF LIBERTY
ADMINISTRATOR'S/CITY INSPECTOR'S
PROPOSED SUBDIVISION PLAT APPROVAL CHECKLIST**

RE: **Final Plat of the Zarate Subdivision**

- ✓ A. Preliminary Conference with: H + H Professional Land Services
- ✓ B. Date conference held: January 29, 2010
- ✓ C. Plat Filing: Final
- Date filed: January 29, 2010
- Fee Amount Paid: \$ 150.00
- D. Plat Checklist (initial and date or ditto for approval)
- ✓ 1. Proposed name of the subdivision, which shall not have the same spelling or be pronounced similar to the name of any other subdivision currently located within the City or within the extraterritorial jurisdiction of the City.
- ✓ 2. Names and land use of contiguous subdivisions, and the owners of contiguous parcels of unsubdivided land, and a statement with appropriate references as to whether or not contiguous properties are platted and how they are used.
- ✓ 3. Description, by metes and bounds, of the subdivision boundaries.
- ✓ 4. Primary control point locations shown. Descriptions and ties to such control points from which all dimensions, angles, bearings, block numbers, and similar data are referenced and shown.
- ✓ 5. Subdivision boundary lines indicated by heavy lines; the acreage of the subdivision shown.
- ✓ 6. Existing conditions as follows:
✓ (1) The exact location, dimensions, name and description of all existing and/or recorded streets, alleys, reservations, easements, or other

Attachment: Zarate Subdivision (1630 : Zarate Subdivision)

public right-of-way (including both public and private utility lines) within the subdivision, intersecting or contiguous with its boundaries or forming such boundaries;

✓ (2) The exact location, dimensions, description, and flow line of existing water courses and drainage structures within the subdivision or on contiguous tracts;

✓ (3) Proposed land use of each subdivided parcel;

✓ (4) Flood hazard areas and explanatory notes.

✓ 7. The exact location, dimensions, description, and name of all proposed streets, street grades and cross sections, alleys, drainage structures, parks, other public area, reservation, easements or other rights-of-way, blocks, lots and other sites within the subdivision.

✓ 8. Date of preparation; actual and graphic scale of plat; and north arrow.

None 9. Draft of proposed restrictive covenants (if any) to be imposed; areas subject to special restrictions described and mapped.

✓ 10. A number or letter to identify each lot or site on each block.

✓ 11. Building setback lines on fronts of all lots and sites. Side yard building setbacks lines at street intersections and crosswalk ways.

✓ 12. Topographic information shall include contour lines on a basis of: Five (5) vertical feet in terrain with a slope of two (2) percent or more; on (1) vertical foot in terrain with a slope of less than one (1) percent.

✓ 13. Proposed fill or other structure-elevating techniques, levees, channel modifications, and other methods to overcome flood or erosions related hazards.

✓ 14. Designation of all land to be reserved or dedicated for open space or recreational use.

✓ 15. Vicinity sketch or map, at some appropriate scale, which clearly shows existing subdivisions, street easements, right-of-way, parks and public facilities

of water, and possible storm sewer, water, gas, electric, and sanitary sewer connections by owner.

✓ 16. Soil information.

✓

E. Preliminary plat conforms with the Most Current Adopted Comprehensive Plan.

F. Approval of City Staff

1. The Engineering Department:

- ✓ a. Drainage
- ✓ b. Street layout and proposed street grades
- ✓ c. Type of paving
- ✓ d. Boundary Lines
- ✓ e. Monuments and Bench marks
- ✓ f. Location and size of alleys
- ✓ g. Availability of adequate water and sewer mains to the subdivision.
- ✓ h. Water system layout and fire hydrant locations.
- ✓ i. Sanitary sewer easements.
- ✓ j. Soil conditions.

2. The Building Inspector:

- ✓ a. Occupancy regulations and requirements
- ✓ b. Building lines and setback requirements.
- ✓ c. Lot and block numbers.
- ✓ d. Street numbering layout.
- ✓ e. Street names.

3. Fire Marshall:

- ✓ a. Fire code regulations and requirements.

4. Electric Power Department:

- ✓ a. System layout and requirements.
- ✓ b. Code regulations and requirements.

G. Comments:



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.9

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Change Orders

COUNCIL ACTION (ID # 1645)

DOC ID: 1645

Consider Approval of a Change Order for Costs Associated with the Humphreys Cultural Center Expansion Project.



architects & planners, aia

Allowance Expenditure Authorization

Project: GDHCC

Authorization No.: 9

Project No.:0412

Date: 03/30/10

To: G.T.T., Inc.

Comments:

You are authorized to perform the following items of work and to adjust the allowance sum accordingly, as indicated below. This is not a change order and does not increase nor decrease the contract amount.

Description:

- | | |
|---|------------|
| 1. PR No. 015 : Re-size conduit, conductors and breaker for RTU-5 per | |
| Shop Drawing notes | \$3,348.33 |
| Misc. Lamp & ballast labor, existing 2 nd floor lights | 275.00 |
| Additional floor prep in existing Phase 1 area due to above normal | |
| floor conditions | 1,575.00 |
| Added steel lintels at door #4 in existing theatre | 680.00 |

Total Adjustment to Allowance Sum:	\$5,878.33
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Original Allowance	\$30,000.00
Allowance Expenditures Prior to this Authorization	\$36,341.08
Allowance Balance Prior to this Authorization	(\$6,341.08)
Allowance Sum will be decreased/increased by this Authorization	(\$ 5,858.33)
New Allowance Balance	(\$ 12,199.41)

Attachments: Pricing Worksheets dated 3/25/10 along with back-up sheets.

 Edwards Associates

 Date

 City of Liberty- Gary Broz, City Manager

 Date

Attachment: Change Order HCC Exp March 2010 (1645 : Change Order HCC Exp Project)

G.T.T. Inc.

General Contractors.
414 W. Phillips, Ste: 105
Conroe, Texas. 77301
Phone: 936-441-8282
Fax 936-441-8286

Pricing Request Worksheet

Project: Geraldine D. Humphreys Cultural Center
Project No. 09-001
PR No: 015
Date: March 25, 2010

To: Edwards & Associates
17 S Briar Hollow, Ste 102
Houston, TX 77027
Phone: 713-621-1890
Fax: 713-621-1898

Attn: Richard Edwards

This Proposal initiated by:

Owner
☒ Architect
☒ Gen. Cont.
Sub-Cont.

Please find enclosed our pricing for the below indicted scope of work. This proposal shall include only the scope of work listed below and any attachments.

Pages attached

07

Description of work: Misc Items as noted below.

Item of work Description	Qty	Unit	Labor Total	Matrl Total	Equip Total	Sub- Contract	Item Total
Re-size and install electrical conduit			\$ -	\$ -	\$ -	\$ -	\$ -
conductors and breaker for RTU-5			\$ -	\$ -	\$ -	\$ 4,109.38	\$ 4,109.38
Credit back original Elec for RTU-5			\$ -	\$ -	\$ -	\$ (761.05)	\$ (761.05)
Misc lamp & ballast labor 2nd floor			\$ -	\$ -	\$ -	\$ 275.00	\$ 275.00
Add'l Floor prep as required at exist.			\$ -	\$ -	\$ -	\$ 2,025.00	\$ 2,025.00
Credit for floor prep at new			\$ -	\$ -	\$ -	\$ (450.00)	\$ (450.00)
Lintel systems at Door 4			\$ -	\$ 460	\$ -	\$ -	\$ 460.00
Welding of plate at lintels			\$ -	\$ -	\$ -	\$ 75.00	\$ 75.00
Labor and grout to install lintel			\$ 100	\$ 25	\$ 20	\$ -	\$ 145.00
			\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Totals			\$ 100	\$ 485	\$ 20	\$ 5,273.33	\$ 5,878.33
						Cross Check	\$ 5,878.33

Time extension to contract in days.

10

Total Labor:		\$ 100.00
Labor Burden:		\$ 45.00
Total Material		\$ 485.00
Material Taxes:	Exempt	\$ -
Total Equipment:		\$ 20.00
Equipment Taxes:		\$ 1.65
Total Sub-Contract:		\$ 5,273.33
Amount that can be funded by balance of contingency allowance:		\$ -
Total after what can be funded from allowance.		\$ 5,924.98
Insurance Increase:		\$ 46.16
P&P Bond Increase:		\$ 164.71
Total including Bonds and Insurance		\$ 6,135.85
O&P on sub-contract work	10% On \$	6,135.85
O&P on self performed work:	15% On	\$ -
Total if Funded by Change Order:		\$ 6,749.44

Should this pricing be acceptable please forward an AEA or Change order for the respective amounts above and we will commence with the process of the work.

Scott Cunningham
Project Manager

Attachment: Change Order HCC Exp March 2010 (1645 : Change Order HCC Exp Project)

REDDING LINDEN BURR

CONSULTING ENGINEERS

DISTRIBUTION	GTT INC.
RLB FILE:	08256.00
SENT TO: GTT INC.	ATTN : Scott Cunningham
CLIENT: EDWARDS AND ASSOCIATES	RICHARD EDWARDS

SHOP DRAWING REVIEW**PROJECT: LIBERTY LIBRARY- (GERALDINE D. HUMPHREYS CULTURAL CENTER)****DIVISION 15****DESCRIPTION: Rooftop Units****CONTRACTORS SUBMITTAL NUMBER: #013R1 (GTT PROJ NO.)****NEW SUBMITTAL _ RESUBMITTAL ✓****DATE RETURNED: 05/26/09****REVIEWED BY: JCCavazos**

The Engineer's review of these submittals is only for the limited purpose of checking the same for conformity with the design concept of the work as established in the Contract Documents and is not intended to be for the purpose of determining the accuracy of other matters that may be contained in such submittals, including but not limited to such matters as dimensions, quantities, performance of equipment and systems designed by the Contractor, Contractor-furnished engineering and design, construction means, methods, techniques, sequences, procedures or safety precautions, the correctness of which as set forth in the Contract Documents or submittal shall be the sole responsibility of the Contractor. Review of shop drawings shall not relieve Contractor, any Subcontractor and/or any Material Supplier of responsibility for deviation from the requirements of the Contract Documents nor for errors or omissions in shop drawings.

EXCEPTIONS NOTED BELOW, RESUBMITTAL NOT REQUIRED

Mechanical contractor to coordinate with the electrical contractor to match breaker size of submitted roof top units.

--End of Review Comments--

ELECTRICAL- ROOFTOP UNIT RTU-5 WILL NEED SOME CHANGES ON THE ELECTRICAL EQUIPMENT AS LISTED BELOW:

SW-RTU5: NEEDS TO BE A FUSED DISCONNECT 200A/3P/240V/NEMA 3R WITH (3)- 125AF FROM COMBO
 STARTER/DISCONNECT 30A/3P/240V/NEMA 3R
 THE BREAKER ON MDP2 NEEDS TO BE UPSIZED TO BE 125A/3P FROM 50A/3P
 THE WIRE SIZE NEEDS TO BE UPSIZED TO 4#1, 1#6G, 2"C FROM 3#8, 1#10G, 3/4"C

P.O. Box 614
 Shepherd, TX 77371
 281-659-1445 phone
 281-659-1446 fax

Bullock Inc.

March 17, 2010

GERALDINE HUMPHREY CENTER: LIBERTY, TX

Electrical Change for RTE#5:

1- NGB3B125 Siemen	1170.00
150'-1 1/4" EMT	168.48
1- 4x4x12 treated	15.00
14- 1 1/4" straps	12.60
1- tube sealant	5.00
2- 1 1/2" LB c&g	40.00
1- 1 1/2" C c&g	20.00
6'-1 1/2" sealite	12.00
2- 1 1/2" sealite connectors	8.00
4- 1 1/2" EMT 90	20.00
8- 1 1/2" wt connectors	15.20
20- 1 1/2" wt couplings	38.60
500'- #1 THHN	760.00
150'- #6 THHN	64.50
16 hours 2 men @ \$55 each-	
Materials:	\$2349.38
Labor:	\$1760.00
Total:	\$4109.38

Charles E. Bullock Jr.
 President

Attachment: Change Order HCC Exp March 2010 (1645 : Change Order HCC Exp Project)

P.O. Box 614
Shepherd, TX 77371
281-659-1445 phone
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Bullock Inc.

March 17, 2010

GERALDINE HUMPHREY CENTER: LIBERTY, TX

Original Bid was for 3 pole 50 amp w/ 3 #8 & 1 #10 ground in 3/4" conduit.

150'- 3/4" EMT	37.50
4- 3/4" connectors	1.20
15- 3/4" couplings	4.50
15- 3/4" straps	3.00
1- 1900 box & covers	1.95
6'- 3/4" flex	3.60
2- 3/4" flex connectors	1.80
450'- #8 THHN	135.00
150'- #10 THHN	<u>22.50</u>
Materials:	\$211.05
10 hours labor @ \$55 an hour:	<u>\$550.00</u>
Total:	\$761.05

Charles E. Bullock Jr.
President

Attachment: Change Order HCC Exp March 2010 (1645 : Change Order HCC Exp Project)

WORK AUTHORIZATION

Coastal Flooring, Incorporated

5845 W. 34TH STREET *** HOUSTON, TEXAS 77092 *** (713) 957-0366

NAME <u>GTT INC</u>		PHONE	DATE <u>2-25-2010</u>
STREET <u>1714 W. PHILLIPS, STE 105</u>		JOB NAME <u>Geraldine Humph.</u>	JOB NUMBER
CITY <u>League</u>	STATE <u>TX</u>	STREET	
	ZIP <u>77001</u>	QTY	STATE

You are hereby authorized to perform the following

To furnish material and labor necessary to prep floors as required:

Date	Flt	Approval
2-22-10	9 Bags rct	Buck Henderson
2-23-10	11 Bags	Buck Henderson
2-24-10	10 Bags	Buck Henderson
2-26-10	1 Bag	Buck Henderson
3-1-10	7 Bags carpet	Buck Henderson
3-3-10	3 Bags carpet	Buck Henderson
3-4-10	4 Bags carpet	Buck Henderson
	45 Bags	
	- 10 Bags -	FIG IN BID @ NEW ADDITION.

Flt @ \$45.00 per bag = 2025-

CHARGE FOR ABOVE WORK IS: \$ 2,025-

Payment will be made as follows: _____

We hereby agree to furnish labor and materials - complete in accordance with the above specifications, at above stated price

Accepted by _____
 Customer _____
 Title _____
 Date _____

COASTAL FLOORING, INC.

 5845 W. 34th Street
 Houston, Texas 77092

Attachment: Change Order HCC Exp March 2010 (1645 : Change Order HCC Exp Project)



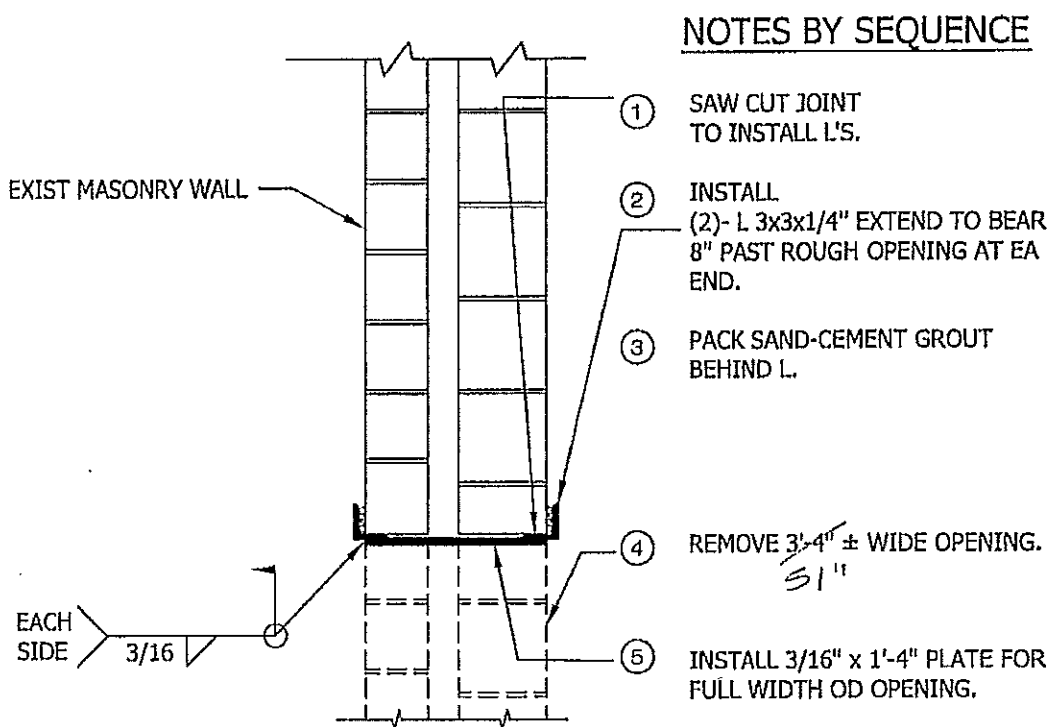
SCHMITZ / LAMB ENGINEERS INC.
5629 SCHUMACHER
HOUSTON, TEXAS 77057-7123
PHONE 713-772-5562
FAX 713-587-3299

GERALDINE D. HUMPHREYS CULTURAL CENTER RENOVATIONS AND ADDITIONS

LIBERTY, TEXAS

DETAIL

03/23/10



1 DETAIL TO INSTALL LINTEL AT
OPENING THROUGH EXISTING WALL

Scott Cunningham

From: EATONHst@aol.com
Sent: Thursday, March 25, 2010 9:55 AM
To: scottc@gttconstruction.com
Subject: Re: FW: LIBERTY ADD'L LINTEL & PLATE (Door 4)

Scott, Iron Boss, will weld the plate in for \$75.00. Would like to do it when we come back to finish. Carl

In a message dated 3/24/2010 8:30:12 A.M. Central Daylight Time, scottc@gttconstruction.com writes:

Blake,

Please send me a price to deliver (2) 3x3x1/4" X 5'-7" primed and (1) 3/16" x 1'-4" x 4'-3" Plate. This is for a lintel system at a new door we will be cutting in at Door #4 in the existing building

Carl: Send price to weld the plate to the lintel... You can do this at same time you are doing other things there though so don't figure a special trip.

Scott Cunningham

Project Manager / Estimator

G.T.T. Inc.

414 W. Phillips Ste: 105

Conroe, TX 77301

936-441-8282 Metro

936-441-8286 Metro Fax

281-468-5756 Cellular

scottc@gttconstruction.com

From: Richard Edwards [mailto:richard@edwardsassociatesaia.com]
Sent: Wednesday, March 24, 2010 8:17 AM
To: Scott Cunningham

Attachment: Change Order HCC Exp March 2010 (1645 : Change Order HCC Exp Project)

3/25/2010



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.10

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Board Appointments

COUNCIL ACTION (ID # 1641)

DOC ID: 1641

Consider an Appointment, to Replace Mr. Charles McGuire, on the Texas Department of Rural Affairs Community and Economic Development Assistance Fund, Regional Review Committee.

Charles L. W. McGuire, J.D., CPA

ATTORNEY AT LAW
400 MAIN
LIBERTY, TEXAS 77575
(936) 336-3632
FAX (936) 334-7400
E MAIL: CMCGUIRE@TARVERABSTRACT.COM

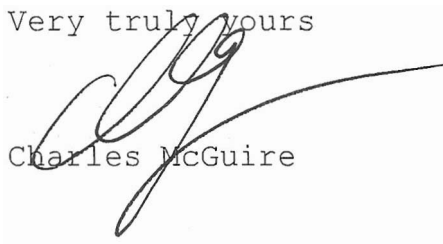
March 29, 2010

Mr. Carl Pickett
Mayor
City of Liberty
1829 Sam Houston
Liberty, Texas 77575

Dear Carl:

Please accept this letter as my resignation from the Regional Review Committee of the Houston-Galveston Area Council effective immediately. I am giving you notice now so that the council may appoint a replacement prior to the next scheduled meeting on May 5, 2010. Thank you for the opportunity to serve.

Very truly yours


Charles McGuire

Attachment: Resig Reg Rev Board C. McGuire (1641 : Appt. TDRA Regional Review Comm)



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.11

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Demolition

COUNCIL ACTION (ID # 1642)

DOC ID: 1642

Discussion, and Possible Action, on the Demolition of the Old Mercy Hospital Located at 521 Travis Street.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.A.12

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Misc.

COUNCIL ACTION (ID # 1640)

DOC ID: 1640

Consider Authorizing the City Manager to Research Legal Options for the Historic Preservation of the Downtown Area.



The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

8.C.1

Meeting: 04/13/10 06:00 PM

Department: Administration
Category: Executive Session Items

COUNCIL ACTION (ID # 1647)

DOC ID: 1647

Consider Any Action, as Discussed in the Executive Session, Regarding the Trinity Garden Apartments.