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, May 11, 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 # 1659)

Proclamation - Motorcycle Safety Awareness Month

B. Information Item (ID # 1660)

2010 Census Participation Report

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. Tuesday, April 13, 2010

2. Friday, April 16, 2010

3. Thursday, April 22, 2010

4. Thursday, April 22, 2010

VII. REGULAR AGENDA

A. Regular Session

1. Resolution (ID # 1661)

Canvass Returns of the City of Liberty General Election Held on May 8, 2010 and Take Action on a Resolution for Same.

2. Resolution (ID # 1662)

Canvass Returns of the City of Liberty Special Election Held on May 8, 2010 and Take Action on a Resolution for Same.

3. Information Item (ID # 1663)

Oath of Office to be Administered to Newly Elected Officials.

- Oath of Office Form (DOC)

4. Council Action (ID # 1664)

Elect a Mayor Pro Tem.

5. Council Action (ID # 1665)

Consider Approval of Compensation to be Paid to the Election Officials for the May 8, 2010 General and Special Elections.

6. Council Action (ID # 1677)

Consider Airport Advisory Board Proposals for Improvements to the Liberty Municipal Airport.

- Airport Operator East Side (PDF)

7. Council Action (ID # 1666)

Consider Appointments to the Planning and Zoning Commission.

8. Council Action (ID # 1667)

Consider Appointments to the Liberty Community Development Corporation Board of Directors.

9. Council Action (ID # 1668)

Consider Setting the Date, Time and Location for a City Council and Staff Work Session to Set Goals, Objectives and Action Plans.

10. Council Action (ID # 1669)

Consider Acceptance of Mr. Charles McGuire's Resignation from the Sam Rayburn Dam Electric Cooperative Board of Directors.

- McGuire Resig SRDEC (PDF)

11. Council Action (ID # 1670)

Consider the Appointment of a City of Liberty Representative to the Sam Rayburn Dam Electric Cooperative Board of Directors.

12. Council Action (ID # 1671)

Consider Approval of Proposed Changes to the Employee Health Insurance Plan.

- Proposed Health Plan Changes 2010 (PDF)

13. Ordinance 2010-14

Consider Adoption of an Ordinance Creating Reinvestment Zone Number 2.

- Reinvestment Zone 2 attachments (PDF)

14. Resolution 2010-8

Consider Approval of a Tax Abatement Agreement with Liberty Laxmi, Regarding Holiday Inn Express and Approve a Resolution Authorizing the Mayor to Execute Agreement.

- Holiday Inn Tax Abatement Agmnt (PDF)

15. Council Action (ID # 1675)

Consider Extension of the Substation Lease from the Sam Rayburn Municipal Power Agency.

16. Council Action (ID # 1676)

Consider a Substation Lease Amendment from the Sam Rayburn Municipal Power Agency.

B. Executive Session

Personnel Matters. Gov. Code §551.074
Consultation With Attorney. Gov. Code §551.071

1. Discussion of the City Manager's 6-month evaluation.

C. Reconvene into Regular Session

1. Council Action (ID # 1672)

Consider Any Action, as Discussed in the Executive Session, Regarding the City Manager's 6-Month Evaluation.

VIII. COUNCIL MEAL

IX. 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 7th day of May, 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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Proclamations

INFORMATION ITEM (ID # 1659)

DOC ID: 1659

Proclamation - Motorcycle Safety Awareness Month

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 1660)

DOC ID: 1660

2010 Census Participation Report

.

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, 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

The Meeting was called to order on April 13, 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	þ	¨	¨	
Dennis Beasley	þ	¨	¨	
Diane Huddleston	þ	¨	¨	
Mike McCarty	þ	¨	¨	
Al Simonson	þ	¨	¨	
Louie Potetz	þ	¨	¨	
Frank Jordan	þ	¨	¨	

II. INVOCATION

Mr. Kevin Ladd gave the Invocation.

III. PLEDGE OF ALLEGIANCE

Officer Josh Cummins, Liberty Police Department, led the pledge to the American and Texas flags.

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.

Councilperson Beasley reported that he had recently learned a video had been filmed in Liberty last fall entitled The Living Trinity. This film was done by a public news outlet from Dallas, Tx. and will be aired April 25th at 5:00 p.m.

Mayor Pickett reported on the upcoming 2nd Annual Fire Department Muster and BBQ Lunch to be held on April 24th from 9 a.m. to 3 p.m. Local fire departments participate in various competitions.

City Manager Gary Broz commented that the demolition of the Power Plant building had taken place, that a special called council meeting would be held on Friday, April 16th to review bids

Minutes Acceptance: Minutes of Apr 13, 2010 6:00 PM (Minutes Approval)

received for the substation contractor, and that school buses, on Thursday only, would be operating out of the city's recently purchased facility on Main Street. Mr. Broz remarked that this was a trial run in anticipation of a proposed partenership with the Liberty Independent School District.

Councilperson Jordan reported that the recent Chamber of Commerce Business Expo was sold out, a huge success, and attended by hundreds. Mr. Jordan stated that this event provided an excellent representation of the local businesses.

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 1631)

Proclamation Declaring April as Fair Housing Month

COMMENTS - Current Meeting:

City Secretary Dianne Tidwell reported on a proclamation declaring the City's support of April as Fair Housing Month.

ATTACHMENTS:

- Fair Housing Proclamation 2010 (DOC)

B. Information Item (ID # 1637)

Employee Recognition - Reader’s Choice Awards

COMMENTS - Current Meeting:

City Manager Gary Broz reported on The Vindicator's Reader's Choice Awards and passed out certificates to those individuals as follows:

Best Police Officer - Josh Cummins

Best City Employee - Dianne Tidwell

Best Custodial Person - Maria Olmos

Best Bookstore - Liberty Municipal Library

Best Park - Liberty Municipal Park

Best Place to Ride a Bike - Liberty Municipal Park

Best Picnic Spot - Liberty Municipal Park

Mayor Pickett thanked the employees for their hard work and efforts in making Liberty a great place to live.

C. Information Item (ID # 1632)

Appointments to the Liberty Community Development Corporation - May 2010

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COMMENTS - Current Meeting:

Mr. Broz reported that appointments to the Liberty Community Development Corporation would be made at the May Council Meeting. Those individuals whose terms expire are: Dennis Beasley, Louie Potetz, Billy Page, and Mike Van Etta.

D. Information Item (ID # 1633)

Appointments to the Planning & Zoning Commission - May 2010

COMMENTS - Current Meeting:

Mr. Broz reported that appointments to the Planning & Zoning Commission would be made at the May Council Meeting. Those individuals whose terms expire are: Larry Wagnon and alternates, Paul Damek and Mark Campbell.

E. Information Item (ID # 1634)

City Manager's 6-Month Evaluation - May 2010

COMMENTS - Current Meeting:

City Manager Gary Broz reported that his six-month evaluation will take place at the May council meeting.

F. Information Item (ID # 1635)

City Manager's Budget Calendar

COMMENTS - Current Meeting:

City Manager Gary Broz reported that he has completed a calendar of the upcoming budget process, to include Council work sessions and deadlines.

VI. REGULAR AGENDA

A. Regular Session - Part 1

1. Council Action 2010-33

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

COMMENTS - Current Meeting:

City Manager Gary Broz reported on a bond counsel services agreement with McCall, Parkhurst, & Horton L.L.P. Mr. Broz stated that Mr. Tom Spurgeon from the San Antonio office of this firm was present and would be assisting in the proposed tax notes and sale of certificates of obligation.

Motion was made to accept the agreement for bond counsel services as presented.

ATTACHMENTS:

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

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

2. Ordinance 2010-10

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.

COMMENTS - Current Meeting:

City Manager Gary Broz reported on a handout that was related to the repayment of the proposed tax note, to include maturity and interest rates, for materials related to construction of the Boomerang Tube Substation. The note is through Prosperity Bank, in the amount of $1,000,000, a maturity date of one year, and 5.5% interest. Discussion included this note being a tax pledge and surplus revenue pledge of the electric system; and as a self supporting debt, there is no obligation to levy a tax or to maintain a 2% interest and sinking fund. This note is due September 1, 2011.

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

"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."

Motion was made to adopt this ordinance.

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

3. Ordinance 2010-11

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.

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COMMENTS - Current Meeting:

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

"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."

Mayor Pickett reported that these funds are for construction costs of the Boomerang Substation and that revenues are projected to match the bond repayment requirements Motion was made to adopt this ordinance.

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

4. Ordinance 2010-12

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.

COMMENTS - Current Meeting:

Dan Syphrett, Entergy Customer Service Manager, was present to explain that the proposed ordinance reflects a Texas Rough Production Cost Equalization Payment. Mr. Syphrett explained that this is a pay back to the rate payers of the State of Texas. FERC ruled that Entergy spread its productions costs so that the rate payers get the lowest cost across the board. Arkansas produces the majority of its electricity with coal, coal being the lowest cost producer. Arkansas owes Texas $117 million to equalize production costs across a 4-state area. This ordinance approves the change in rates, or payback to the customer.

This reduction amounts to:

May	$28.46/per kw hr on a bill
June	$21.44/per kw
July	$15.56/per kw
Aug	$16.07/per kw

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

"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

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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."

Motion was made to adopt this ordinance.

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

5. Council Action 2010-34

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

COMMENTS - Current Meeting:

Mr. Richard Edward, Architect for the Humphreys Cultural Center Expansion Project was present to update the Council on the status of the project and discuss the most recent change order. Mr. Edwards reported that the current change order presented is in the amount of $25,723.

Mr. Edwards reported that the project was 80% complete and change orders to date, including the one presented at this meeting, total $55,723.41. $12,800 of that amount was for the demolition of the bell tower which was not part of the original project. Removing the demolition cost, change orders total $42,923. From the $30,000 contingency fund, Mr. Edwards asked for a maximum of $15,000 for rerouting of existing ductwork, and other possible items that may come up due to tearing out for the elevator and roof work.

City Manager Gary Broz discussed with Council a handout on the total financing for the Cultural Center project. Mr. Broz reported that as of April 13th, a total of $2,602,402 had been spent. In review of funds borrowed against expenditures made, approximately $300,000 of the $950,000 borrowed will be paid back, as it will not be used.

Motion was made to approve the change order, in the amount of $25,723.41 with an additional $15,000 for a total of $41,000, subject to the city manager's approval of presented change orders in an amount not to exceed $15,000.

ATTACHMENTS:

- Change Order HCC Exp March 2010 (PDF)

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

VII. 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:	**ADOPTED [UNANIMOUS]**
MOVER:	Mike McCarty, Mayor Pro-Tem
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz, Jordan

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

VIII. 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.

COMMENTS - Current Meeting:

At 6:50 p.m., Mayor Pickett opened the Public Hearing regarding the adoption of an ordinance creating a Reinvestment Zone/Tax Abatement Zone near U.S. Highway 90 and Layl Drive.

City Attorney Randy Gunter reported that notice of this public hearing was published seven days prior, to this meeting, in the newspaper and all taxing entities were notified. Mr. Gunter stated that city management and Council received information on plans for the location of a future Holiday Inn Express. It is the opinion of management that this would significantly enhance the value of all taxable real property in the zone. This ordinance outlines the property to become the hotel and parking lot, and believes it would be of general benefit to the City of Liberty and in the public's interest to pass the proposed ordinance. Mr. Gunter further stated that this is a contiguous area that would likely contribute to the retention or expansion of primary employment

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and attract major investment. None of this property is owned or leased by any member of the governing body.

There were no comments from the public/audience, for or against the reinvestment zone.

Mr. Gunter further stated that the reinvestment zone is a precursor to the tax abatement requested. The ordinance that creates the reinvestment zone does not grant a tax abatement. However, it is a prerequisite to adopting a tax abatement. Mr. Gunter reported that the proposed tax abatement to be considered at a later date is a three year abatement as follows:

Year 1 - 100%

Year 2 - 66%

Year 3 - 33%

The Public Hearing was closed at 6:54 p.m.

IX. REGULAR AGENDA

A. Regular Session - Part 2

1. Ordinance 2010-13

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

COMMENTS - Current Meeting:

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

"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, DESIGNATING A CERTAIN AREA AS A COMMERCIAL/INDUSTRIAL TAX ABATEMENT ZONE IN THE CITY OF LIBERTY, TEXAS; TO BE KNOWN AS REINVESTMENT ZONE NO. 2; ESTABLISHING THE BOUNDARIES THEREOF; PROVIDING FOR AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT THIS ORDINANCE BE READ ON TWO SEPARATE DAYS."

Motion was made that the Ordinance presented by the Mayor, to designate a certain area as a commercial/tax abatement zone to be known as Reinvestment Zone No. 2, be adopted.

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

2. Council Action (ID # 1628)

Minutes Acceptance: Minutes of Apr 13, 2010 6:00 PM (Minutes Approval)

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

FISCAL IMPACT:

Purchase price is $14,700.00

COMMENTS - Current Meeting:

City Manager Gary Broz reported that the Police Department is in need of bullet proof vests and is requesting funds for this purchase. Mr. Broz stated that sales tax revenues are down which affect the General Fund, and recommends the request be denied.

Motion was made to reject the request for funds to purchase bullet proof vests.

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

3. Council Action (ID # 1636)

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

COMMENTS - Current Meeting:

City Manager Gary Broz reported that each year the Public Utility Commission puts out a Consumer Price Index adjustment for telecommunications access line rates. Mr. Broz recommended that the Council leave the rates at the 2009 rate, as it is a pass through to the customer.

Motion was made to leave the telecommunications access line rates at the 2009 rate.

ATTACHMENTS:

- PUC Access Line Rates March 2010 (PDF)

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

4. Council Action 2010-35

Consider Approval of the Final Plat of the Zarate Subdivision.

COMMENTS - Current Meeting:

Candy Motschman, Inspection Department, reported that the plat presented is in the short form process, as the property is in an existing subdivision. H & H Professional Land Services requests that the property in the Abshire Subdivision be subdivided to create a lot facing Canfield Street and enlarge the portion of the lot facing Sue Street.

Motion was made to approve the final plat of the Zarate Subdivision.

ATTACHMENTS:

- Zarate Subdivison (PDF)

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

5. Council Action 2010-36

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

COMMENTS - Current Meeting:

Motion was made to appoint Frank Jordan to the Regional Review Committee (RRC), Houston-Galveston Area Council. Each Texas Council of Governments has its own RRC comprised of twelve members. The role of the committee is to determine priorities for projects funded through the Texas Department of Rural Affairs Community Development Fund.

Motion was made to appoint Frank Jordan to the Regional Review Committee.

ATTACHMENTS:

- Resig Reg Rev Board C. McGuire (PDF)

RESULT:	**APPROVED [6 TO 0]**
MOVER:	Mike McCarty, Mayor Pro-Tem
SECONDER:	Dennis Beasley, Councilperson
AYES:	Pickett, Beasley, Huddleston, McCarty, Simonson, Potetz
ABSTAIN:	Frank Jordan

6. Council Action (ID # 1642)

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

COMMENTS - Current Meeting:

City Manager Gary Broz reported that he had spoken with County Judge Phil Fitzgerald in regard to the future of the old Mercy Hospital. Mr. Broz further reported that the Judge agreed that the City let bids for the demolition of the building. When sealed bids have been received and opened a joint meeting of the City, County, and LISD will be held to discuss the costs and associated issues.

RESULT:	**NO ACTION TAKEN**

7. Council Action (ID # 1640)

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

COMMENTS - Current Meeting:

Mr. Broz reported that discussion had originally begun with the Liberty Community Development Corporation regarding the downtown area. Mr. Broz reported that professionals typically buy up the downtown area, renovate with modern architecture, and the historic value of the downtown area is lost. Mr. Broz stated that if it is Council's desire to retain the integrity of the old downtown charm, that options be considered for that purpose. City Attorney Randy Gunter reported that one way to achieve this goal is to zone a section of the City and create an Architecture Review Committee. Further discussion included strong support from the LCDC, the CDAB, other services clubs, commitment to the infrastructure, sidewalks, meetings with TxDOT, and other related issues. Mr. Broz will begin researching available options.

RESULT:	**NO ACTION TAKEN**

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.

At 7:15 p.m., Mayor Pickett closed the open meeting and opened the Executive Session as authorized above.

C. Reconvene into Regular Session

At 7:46 p.m., Mayor Pickett closed the Executive Session and reconvened the open meeting.

1. Council Action (ID # 1647)

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

RESULT:	**NO ACTION TAKEN**

X. COUNCIL MEAL

Council shared an evening meal.

XI. ADJOURNMENT

A. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 7:47 p.m.

RESULT:	**ADOPTED [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

Friday, April 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 April 16, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 12:01 PM by Mayor Pro-Tem Mike McCarty.

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

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Mayor Pro Tem Mike McCarty 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.

City Secretary Dianne Tidwell reported on the new election law recently discussed regarding those candidates with no opposition, remaining on the ballot, but having no votes cast for them. Ms. Tidwell further stated that a representative of the Secretary of State's Office reported there had been confusion with the new law, and Ms. Tidwell wanted the candidates to know that there would now be a box for the voter to cast their votes for the unopposed candidates.

III. REGULAR AGENDA

A. Regular Session

1. Council Action 2010-37

Consider Awarding a Bid for Boomerang Tube LLC Electric Substation Construction.

COMMENTS - Current Meeting:

City Manager Gary Broz reported bids had been opened on April 15th at 2 p.m., for the construction of the temporary wiring for the Boomerang Substation. Four bids were received, with the low bid in the amount of $724,906.05.

Mr. Broz reported that the City is currently at the forty-six day mark to meet the June 1st deadline to supply Boomerang Tube with electric power. Mr. Broz stated that Nowlin & Associates, the city's electric engineering firm, is comfortable with the low bidder. Mr. Broz recommended the bid be awarded to USA Environment, Houston, Tx. in the amount of $724,906.05, and their completion time is thirty days. Further discussion included receipt of a surety bond, work to begin on Monday, seven days a week, around the clock, and a penalty clause of $1000 per day if the job is not complete within thirty days.

Motion was made to accept the bid from USA Environment for the construction of the underground feeder cable and equipment for the Boomerang Substation facility.

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

IV. COUNCIL MEAL

A council meal was not served at this meeting.

V. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 12:09 p.m.

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

Carl Pickett, Mayor

ATTEST:

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

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Apr 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

Thursday, April 22, 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 April 22, 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	þ	¨	¨	
Dennis Beasley	þ	¨	¨	
Diane Huddleston	¨	þ	¨	
Mike McCarty	þ	¨	¨	
Al Simonson	þ	¨	¨	
Louie Potetz	þ	¨	¨	
Frank Jordan	þ	¨	¨	

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) The 2nd Annual Fire Department Muster and BBQ Lunch will begin at 9 a.m. on April 24th, and
2) thanked the Chamber of Commerce for sponsoring the Annual Bosses/Administrative Assistants Luncheon held in the Liberty Center on April 21st.

III. PRESENTATIONS / REPORTS

A. Information Item (ID # 1649)

Backflow Prevention Program Update - E. McCreight & R. Hood

COMMENTS - Current Meeting:

Robbie Hood, Neighborhood Services Director and Earl McCreight, Water-Wastewater Operations Manager, were present to report on the status of the Backflow Cross Connection Program. Mr. Hood reported that since February they have been visiting businesses and providing education on the need for backflow prevention, receiving positive feedback.

Minutes Acceptance: Minutes of Apr 22, 2010 6:00 PM (Minutes Approval)

Mr. McCreight stated that they had inspected approximately fifty businesses on Hwy. 90, and only two were in need of a Reduced Pressure Zone Valve (RPZ) for high health risks. Mr. McCreight further stated once the business owners understood the need for back siphon protection, each has been very cooperative.

B. Information Item (ID # 1655)

Financial Report - March 2010 - N. Herrington

COMMENTS - Current Meeting:

Finance Director Naomi Herrington began her report by stating that she had compiled a report of all the FEMA project worksheets for Council review, at their leisure.

Ms. Herrington reported on the March financials (for 6 months ending March 31, 2010) beginning with the General Fund. Revenues in the GF are at 53% of the total projected revenues for the current fiscal year, and the total expenditures of all departments in the GF are at 52% of the total projected expenditures for the current fiscal year. Cash in bank for General Fund operations is approximately $1.2 million, property tax revenues are at 95% of the budgeted property tax collections of $1.4 million, and sales tax is at 41.78% of the budgeted sales tax collections of $2 million, approximately 8% below budgeted figures. Ms. Herrington further reviewed the status of the funds for water, electric and garbage.

City Manager Gary Broz reiterated that he had previously implemented several directives to staff to include a hiring freeze and had placed controls on spending by directing staff to cut overtime, and expenditures over $500 must be approved prior to purchase. Mr. Broz also mentioned that management will be re-advertising the sale of the old Police Department building on San Jacinto Street.

IV. REGULAR AGENDA

A. Regular Session

1. Council Action 2010-38

Consider Award of Bid for Group Dental and Medical Insurance.

COMMENTS - Current Meeting:

Mr. Jim Hall, the City's insurance consultant was present to discuss with Council proposals received for the City's group dental and medical insurance. Mr. Hall named the various proposers and suggested changes to the insurance plan to cut costs. Discussed was raising the co-pay, raising the deductible, and no longer covering an employee's spouse, if insurance was offered at their place of employment.

Ms. Kathy Langston, Health First (PHCS Network) and Mr. Julian Fontana, Texas Municipal League Employee Benefits (United Healthcare), were present for discussion relating to the various proposals.

Minutes Acceptance: Minutes of Apr 22, 2010 6:00 PM (Minutes Approval)

Lengthy discussion was held regarding administrative costs, contracts, stop loss coverage, pre-existing conditions, dental and vision coverage, out of network costs, wellness programs, prescription programs, federally mandated mental health and drug addiction assistance, and numerous related insurance topics.

After lengthy discussion of the above issues, Council asked City Manager Gary Broz his recommendation, in which he responded that he would like to see the City change to the Texas Municipal League and no longer require the services of Mr. Hall.

Council took a brief recess from 8:10 - 8:20 p.m.

After several motions and seconds that resulted in a tie-vote, the first to change to TML, and the second to retain Health First, two additional motions were made, each died for lack of a second. After further discussion, a motion was made to award the bid for the City's group dental and medical insurance to the Texas Municipal League.

Various proposed changes to the employee health insurance plan will be discussed at a later date.

RESULT:	**APPROVED [4 TO 2]**
MOVER:	Mike McCarty, Frank Jordan
SECONDER:	Dennis Beasley, Al Simonson
AYES:	Carl Pickett, Dennis Beasley, Al Simonson, Frank Jordan
NAYS:	Mike McCarty, Louie Potetz
ABSENT:	Diane Huddleston

2. Council Action 2010-39

Consider Award of Bid for Group Life Insurance.

COMMENTS - Current Meeting:

After brief discussion, a motion was made to change from Ft. Dearborne to Mutual of Omaha for life insurance coverage at two times the employee's annual salary.

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

3. Council Action (ID # 1652)

Consider Approval of a Tax Abatement Agreement Between the City of Liberty and Owners of the Proposed Holiday Inn Express.

COMMENTS - Current Meeting:

This item will be presented at a future meeting.

Minutes Acceptance: Minutes of Apr 22, 2010 6:00 PM (Minutes Approval)

RESULT:	**NO ACTION TAKEN**

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

1. Discussion of possible economic prospect, Trinity Garden Apts.
2. Discussion of Boomerang Tube, LLC Electric Rate Contract.

At 9:05 p.m., Mayor Pickett closed the open meeting and opened the Executive Session as authorized above.

C. Reconvene into Regular Session

At 9:59 p.m., Mayor Pickett closed the Executive Session and reconvened the open meeting.

1. Council Action (ID # 1653)

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

RESULT:	**NO ACTION TAKEN**

2. Council Action (ID # 1654)

Consider Any Action, as Discussed in the Executive Session, Regarding an Electric Rate Contract with Boomerang Tube, LLC.

COMMENTS - Current Meeting:

City Attorney Randy Gunter stated there was no action required on this agenda item.

V. ADJOURNMENT

Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, the meeting was adjourned at 10:00 p.m.

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

Minutes Acceptance: Minutes of Apr 22, 2010 6:00 PM (Minutes Approval)

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Apr 22, 2010 6:00 PM (Minutes Approval)

The City of Liberty
City Council
Addendum to Meeting
~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Thursday, April 22, 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. Addendum to Meeting

II. Council Actions

1. Council Action (ID # 1656)

Consider Acceptance of Mr. Charles McGuire's Resignation from the Sam Rayburn Dam Electric Cooperative Board of Directors.

COMMENTS - Current Meeting:

This addendum to the Special Called Meeting was not utilized.

RESULT: NO ACTION TAKEN

2. Council Action (ID # 1657)

Consider the Appointment of a City of Liberty Representative to the Sam Rayburn Dam Electric Cooperative Board of Directors.

COMMENTS - Current Meeting:

This addendum to the Special Called Meeting was not utilized.

RESULT: NO ACTION TAKEN

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Apr 22, 2010 6:00 PM (Minutes Approval)

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Elections

RESOLUTION (ID # 1661)

DOC ID: 1661 A

Canvass Returns of the City of Liberty General Election Held on May 8, 2010 and Take Action on a Resolution for Same.

EXPLANATION:
The official canvass of elections is held not earlier than the third day nor later than the eleventh day after Election Day. The official dates are May 11 - 19.

Dianne Tidwell

A Resolution canvassing the Returns and Declaring the results of a General Election held on May 8, 2010.

WHEREAS, there was held in the City of Liberty, Texas on the 8th day of May, 2010, a General Election duly ordered by the City Council, for the purpose of electing a Mayor and three Councilpersons, as shown in the official returns heretofore.

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

1. That said election was duly called and notice thereof given in accordance with law; that said election was held in the manner required by law; that due returns of said election have been made by the proper office. The returns of said election is as follows:

GENERAL ELECTION

NAME OF CANDIDATE	NUMBER OF VOTES RECEIVED
MAYOR	
Carl Pickett	357
Dennis Beasley	216
COUNCILPERSON	
Louie Potetz	358
Mike McCarty	337
Frank M. Jordan	292

The following candidates are hereby declared elected:

Mayor - Carl Pickett

Councilpersons - Louie Potetz

Mike McCarty

Frank M. Jordan

PASSED AND APPROVED THIS THE 11th DAY OF MAY, 2010.

Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

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

Meeting: 05/11/10 06:00 PM
Department: Administration
Category: Elections

RESOLUTION (ID # 1662)

DOC ID: 1662 B

Canvass Returns of the City of Liberty Special Election Held on May 8, 2010 and Take Action on a Resolution for Same.

EXPLANATION:
The official canvass of elections is held not earlier than the third day nor later than the eleventh day after Election Day. The official dates are May 11 - 19.

Dianne Tidwell

A Resolution canvassing the Returns and Declaring the results of a Special Election held on May 8, 2010.

WHEREAS, there was held in the City of Liberty, Texas on the 8th day of May, 2010, a Special Election duly ordered by the City Council to submit to the voters for approval or disapproval, proposed amendments to the Home Rule Charter of the City of Liberty.

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

That said election was duly called and notice thereof given in accordance with law; that said election was held in the manner required by law; that due returns of said election have been made by the proper office. The returns of said election are as follows:

SPECIAL ELECTION

Special Election submitting to the voters for approval or disapproval, proposed amendments to the Home Rule Charter of the City of Liberty.

Proposition No.	**For**	**Against**
#1 Section 1.03 Change of boundaries and residents' rights. 2.b. Disannexation of territory.	**438**	**76**

Passed by a margin of 362 votes.

****

#2 Section 3.06 Powers of the City Council.	**374**	**113**

Passed by a margin of 261 votes.

****

#3 Section 3.08 Meetings of the city council.	**401**	**97**

Passed by a margin of 304 votes.

****

Proposition No.	For	Against
#4 Section 3.11 Audit and examination of City books and accounts.	**405**	**58**

Passed by a margin of 347 votes

****

#5 Section 4.04 Municipal Court.	**459**	**42**

Passed by a margin of 417 votes.

****

#6 Section 6.03 Form of recall petition.	**431**	**56**

Passed by a margin of 375 votes.

****

#7 Section 9.12 Contingent appropriation.	**297**	**189**

Passed by a margin of 108 votes.

****

PASSED AND APPROVED THIS THE 11th DAY OF MAY, 2010.

____

Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Election Information

INFORMATION ITEM (ID # 1663)

DOC ID: 1663

Oath of Office to be Administered to Newly Elected Officials.

.

In the name and by the authority of

The State of Texas

OATH OF OFFICE

I, ________, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of ___Council Member______ of the City of Liberty,Texas and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.

____
Affiant

SWORN TO and subscribed before me by affiant on this _11th______ day of ____May____________, ____2010_____.

____
Signature of Person Administering Oath

_____Bobby Rader________
Printed Name

(seal)

_____Judge______________
Title

Attachment: Oath of Office Form (1663 : Oath of Office)

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Election Issues

COUNCIL ACTION (ID # 1664)

DOC ID: 1664

Elect a Mayor Pro Tem.

EXPLANATION:
City Charter Section 3.04 - The City Council, at its first meeting after election of council members, shall elect one of its members mayor pro tem, and he shall perform all duties of the Mayor in the absence or disability of the Mayor.

Dianne Tidwell

.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Election Issues

COUNCIL ACTION (ID # 1665)

DOC ID: 1665

Consider Approval of Compensation to be Paid to the Election Officials for the May 8, 2010 General and Special Elections.

EXPLANATION:
The City's election officials are paid $10 per hour for training, and for their work on Election Day.

Dianne Tidwell

.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Airport Improvements

COUNCIL ACTION (ID # 1677)

DOC ID: 1677

Consider Airport Advisory Board Proposals for Improvements to the Liberty Municipal Airport.

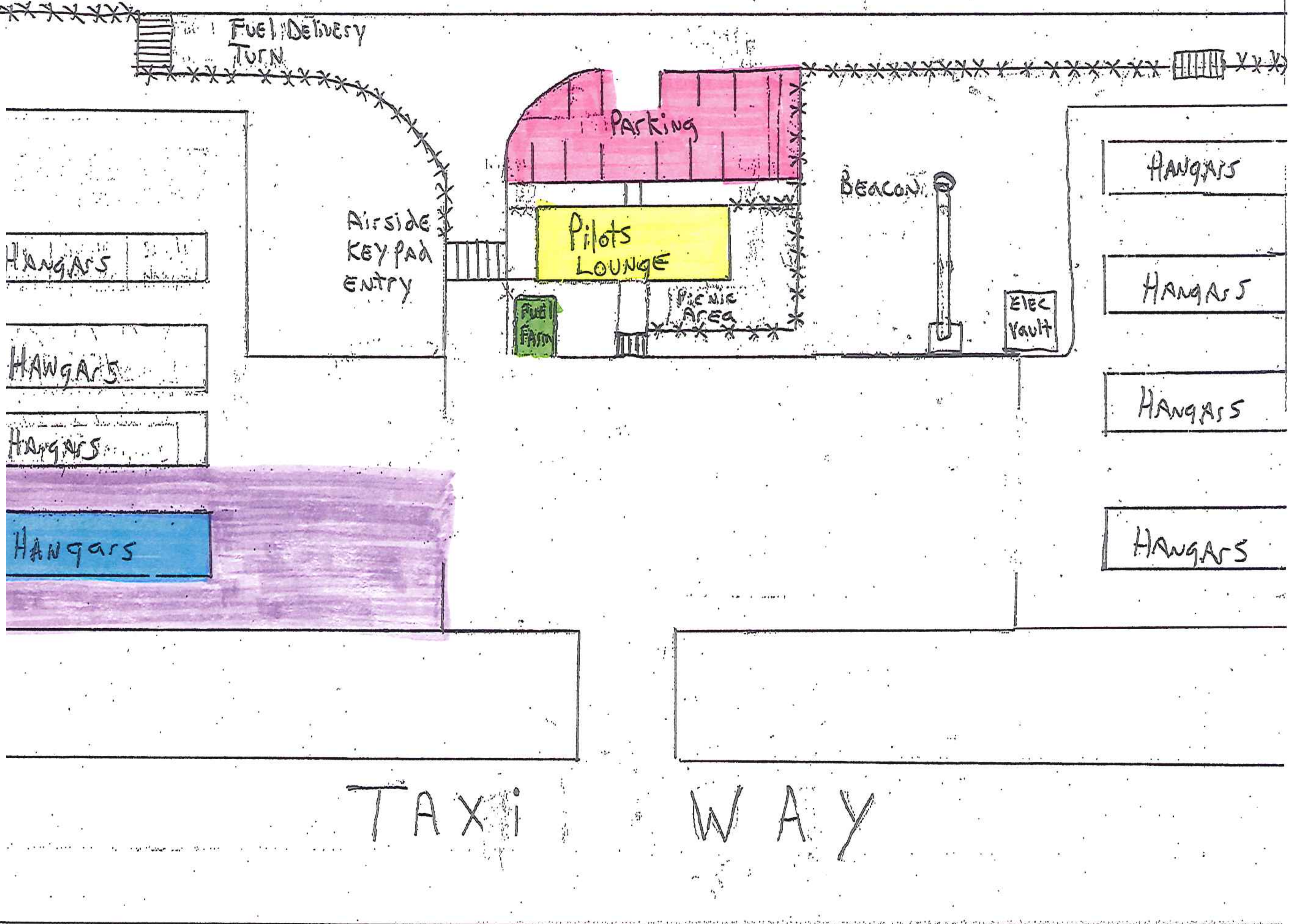
EXPLANATION:
I will make a presentation on behalf of the Airport Advisory Board. Proposed is moving the operator to the east side of the Airport. Attached is a sketch and proposed plan with budget.

Gary Broz

.

Proposed Terminal Set-up

Terminal Building Set-up			
20 x 30	Building	$ 40,000.00	
6 inch	Water	$ 20,000.00	
Aerobic	Sewer	$ 7,000.00	
	Electric	$ 2,000.00	
	Telephone	$ 5,000.00	
		$ 74,000.00	**$ 74,000.00**
Relocate Fuel Farm			
to East Side		**$ 2,500.00**	**$ 2,500.00**
Terminal Parking Lot			
200 x 50		**$ 20,000.00**	**$ 20,000.00**
20 parking spaces			
T-Hangars			
10 Bays		$ 800,000.00	
Apron both sides			
	FEMA	$ 214,576.00	
	Insurance	$ 137,000.00	
		$ 448,424.00	**$ 448,424.00**
Courtesy Car			
Old Police Car		$ -	**$ -**
Full Time FBO			
	Currently	$ 36,000.00	
	Proposed	$ 40,000.00	
		$ 4,000.00	**$ 4,000.00**
			$ 548,924.00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The City of Liberty
City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 05/11/10 06:00 PM
Department: Administration
Category: Board Appointments

COUNCIL ACTION (ID # 1666)

DOC ID: 1666

Consider Appointments to the Planning and Zoning Commission.

EXPLANATION:
The Planning & Zoning Commission 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.

Current Members are:
Shelli Ellerbe
David Ellerbe
Bill Takach
Kim Anderson
Larry Wagnon

Alternates: Paul Damek and Mark Campbell

Dianne Tidwell

.

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

Meeting: 05/11/10 06:00 PM
Department: Administration
Category: Board Appointments

COUNCIL ACTION (ID # 1667) DOC ID: 1667

Consider Appointments to the Liberty Community Development Corporation Board of Directors.

EXPLANATION:
The 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 of the seven members shall be persons who are not employees, officers of the City, or members of the City Council. Those members whose terms expire are:

Dennis Beasley   Louie Potetz   Mike Van Etta   Billy Page

Current Members are:
Dennis Beasley, President
Mike McCarty, Vice-President
Louie Potetz
Mike Van Etta
Billy Page
Robert Ward
Juan Venegas

Gary Broz, General Manager.

.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Misc.

COUNCIL ACTION (ID # 1668)

DOC ID: 1668

Consider Setting the Date, Time and Location for a City Council and Staff Work Session to Set Goals, Objectives and Action Plans.

EXPLANATION:
Time needs to be scheduled to work on our goals, objectives and action plan. Bob Henderson wants to come back and work with us on our final picture. I will have saved a date that will work into Bob's schedule and we can discuss. We are also working on the upcoming budget and will need some direction.

Gary Broz

.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Board Resignations

COUNCIL ACTION (ID # 1669)

DOC ID: 1669

Consider Acceptance of Mr. Charles McGuire's Resignation from the Sam Rayburn Dam Electric Cooperative Board of Directors.

.

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

April 19, 2010

Mr. Kyle Kuntz
President
SAM RAYBURN DAM ELECTRIC COOPERATIVE, INC
P. O Box 631623
Nacogdoches, Texas 75963

Dear Mr. Kuntz:

Please accept this letter as my resignation from the Board of Directors of the Sam Rayburn Dam Electric Cooperative, Inc. effective immediately. Thank you for the opportunity to serve.

Very truly yours

Charles McGuire

cc:
Mr. Carl Pickett
Mayor, City of Liberty

Attachment: McGuire Resig SRDEC (1669 : Resignation - SRDEC)

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Board Appointments

COUNCIL ACTION (ID # 1670)

DOC ID: 1670

Consider the Appointment of a City of Liberty Representative to the Sam Rayburn Dam Electric Cooperative Board of Directors.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Employee Insurance

COUNCIL ACTION (ID # 1671)

DOC ID: 1671

Consider Approval of Proposed Changes to the Employee Health Insurance Plan.

EXPLANATION:
Please see the attached spread sheet with proposed changes to the employee health plan.

Gary Broz

.

Cost Comparison for
Group Medical Dental

City of Liberty
June 1, 2010

Jim Hall, CLU
Hall, Rader Associates

Benefit Design or Plan changes for June 1, 2010	Estimated Annual Savings	EO 33	ES 19	EC 14	EF 41	107
Current Payroll deductions		40.70	99.00	81.40	127.60	115,143
Increase employee contribution from 8% of total cost to 10%	$39,153	54.54	132.66	109.08	170.99	154,296
Increase employee contribution from 8% of total cost to 12% 4% increase	$70,242	65 65.53	160 159.39	130 131.06	205 205.44	185,385
Increase employee contribution from 8% of total cost to 15%	$115,157	81.40	198.02	162.82	255.21	230,300
Eliminate the Vision Benefit	$13,000	Keep as is.				
Decrease the Life Insurance Benefit from 2 times to 1 Times annual salary	9,400					
Eliminate Dependent life insurance benefit	1,226	No changes.				
Decrease the life insurance benefit to flat $25,000 all employees	12,120					
Require spouses of employees that are eligible to have coverage through their	Depends on how many	This will have to be administered by the City.				
employer take that coverage. Difficult to predict savings in premiums and	spouses will be removed	No SEcondary Coverage for Spouse				
future claims. A dollar limit to the spouse is suggested. This will prevent them	from the plan.					
from having a financial hardship. Possibe limit of $~~250~~ per month	Estimate of $26,064	LIMIT OF $500 per month				
Change Rx co-pay from $10/30 to 10/40/80 ; two times for mail order	16,476	$0.00 maintenance - generic				
Change Rx co-pay from $10/30 to $10/30/60, two times for mail order	$7,994					
Change Rx co-pay from $10/30 to $10/30/80, two times for mail order	$12,291	$10 generic / $35 brand / $100 Specialty				
Increase the annual deductible from $~~400~~ to $1,000 In Network @ $~~2,000~~ out of pocket	$16,600	Deductible $500. in NetWORK $2500 out pocket				
Increase the maximum out of pocket from $2,000 to $3,000 OUT OF NEtwork	$5,000	Out of Network $1000. Unlimited out				
Increase Physician co-pay from $~~20~~ to $30 PCP and $60 specialist	$14,220	Co Pay $30. all physicians.				
Keep wellness benefit at 100% without a co-pay		Keep as is.				
Adopt a PPO dental network and pay out of network at 80% R&C	$6,334	Adopt later on.				
Consider offering two plans:						
$2,500 deductible without Physician co-pay or prescription drug card that	Cost saving not predictable	NOT AT THIS TIME				
the City will continue to pay 10 to 15% of the total cost and allow the employee	Depends on participation					
to buy up to a $500 deductible plan with Physician co-pay and prescription						
drug card for additional payroll deductions.						
Raise the specific stop loss from $45,000 to $50,000 saves	$10,672	Keep as is $45,000				
Raise the specific stop loss from $45,000 to $75,000 saves	$62,987					
Reduce broker fee from $16.66 to $15.00 saves	$2,131	HRA would want to renew contract SAVINGS				

Attachment: Proposed Health Plan Changes 2010 (1671 : Health Plan Changes)

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

Meeting: 05/11/10 06:00 PM
Department: Administration
Category: Reinvestment Zones

ORDINANCE (ID # 1673) DOC ID: 1673 A

Consider Adoption of an Ordinance Creating Reinvestment Zone Number 2.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, DESIGNATING A CERTAIN AREA AS A COMMERCIAL/INDUSTRIAL TAX ABATEMENT ZONE IN THE CITY OF LIBERTY, TEXAS; TO BE KNOWN AS REINVESTMENT ZONE NO. 2; ESTABLISHING THE BOUNDARIES THEREOF; PROVIDING FOR AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE DAYS.

WHEREAS, the City Council of the City of Liberty, Texas, (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the "Act"); and

WHEREAS, a hearing before the City Council was set for 6:00 p.m. on the 13th day of April 2010, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Liberty; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Liberty County and Liberty Independent School District as required by the Act; and

WHEREAS, upon such hearing being convened there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone. The boundaries of the proposed Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit "1" and depicted in the drawing attached hereto as Exhibit "2", should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone and all other taxing units and other interested persons were given the opportunity at such published hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment Zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, that it will be of general benefit to the City of Liberty and that it will be in the public interest to pass this Ordinance creating a Reinvestment Zone.

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

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.

(b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone pursuant to the Act; and

(c) That creation of the proposed Zone with boundaries as described herein will result in benefits to the City, its residents and property owners and to the property, residents and property owners in the Reinvestment Zone.

(d) That the Reinvestment Zone, as defined herein in Exhibits 1 and 2, meets the criteria for the creation of a Reinvestment Zone as set forth in Chapter 312.202 of the Act in that:

(1) It is a contiguous geographic area located wholly within the corporate limits of the City.

(2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment, or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.

(3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or town or by a member of

zoning or planning board or commission of the City.

(4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

SECTION 3: That the City hereby creates a Reinvestment Zone over the area described by the description attached hereto and depicted in a drawing attached hereto and such Reinvestment Zone shall hereafter be identified as the Commercial/Industrial Reinvestment Zone, Number Two (2), City of Liberty, Texas, (the "Zone").

SECTION 4: That operation of the Zone shall commence on ________________, 20_____, for a period of three years.

SECTION 5: That a written agreement as provided in the Act, with the owners of the property located within the Reinvestment Zone is hereby authorized according to the schedule and term outlined in Exhibit 3, and the written agreement shall provide an exemption from taxation the increased value of the real and/or personal property according to that schedule.

SECTION 6: That if any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7: That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 8: That the contents of the notice of public hearing, which hearing was held before the City Council on April 13, 2010, and the publication of said notices, are hereby ratified, approved and confirmed.

SECTION 9: 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 days is hereby dispensed with.

SECTION 10: This Ordinance shall be in full force and effect from and after the date of its passage.

PASSED, APPROVED AND ADOPTED on the ______ day of _________________,

2010.

CITY OF LIBERTY

____

Carl Pickett

Mayor

ATTEST:

____

Dianne Tidwell

City Secretary

Exhibit 1

Field notes of a 2.048 acre tract of land out of Layl's Subdivision, a 76.522 acre tract in the James Martin League, Liberty County, Texas, a plat of said subdivision being of record in Volume 1, page 113, Map Records of Liberty County, Texas.

BEGINNING at a point for the Northeast corner of the said Layl's Subdivision, said point also being located in the South right of way line of U. S. Highway 90 as situated in the said plat of Layl's Subdivision;

THENCE: North 79° 44' West a distance of 34 feet to a point for the Northeast corner and PLACE OF BEGINNING for the tract herein described;

THENCE: continuing North 79° 44' West a distance of 172.38 feet to a point for the most Northerly Northwest corner of the tract herein described;

THENCE: South 0° 44' West a distance of 199.08 feet to a point for an interior corner of the tract herein described;

THENCE: North 89° 50' West a distance of 170.0 feet to a point for the most Westerly Northwest corner of the tract herein described;

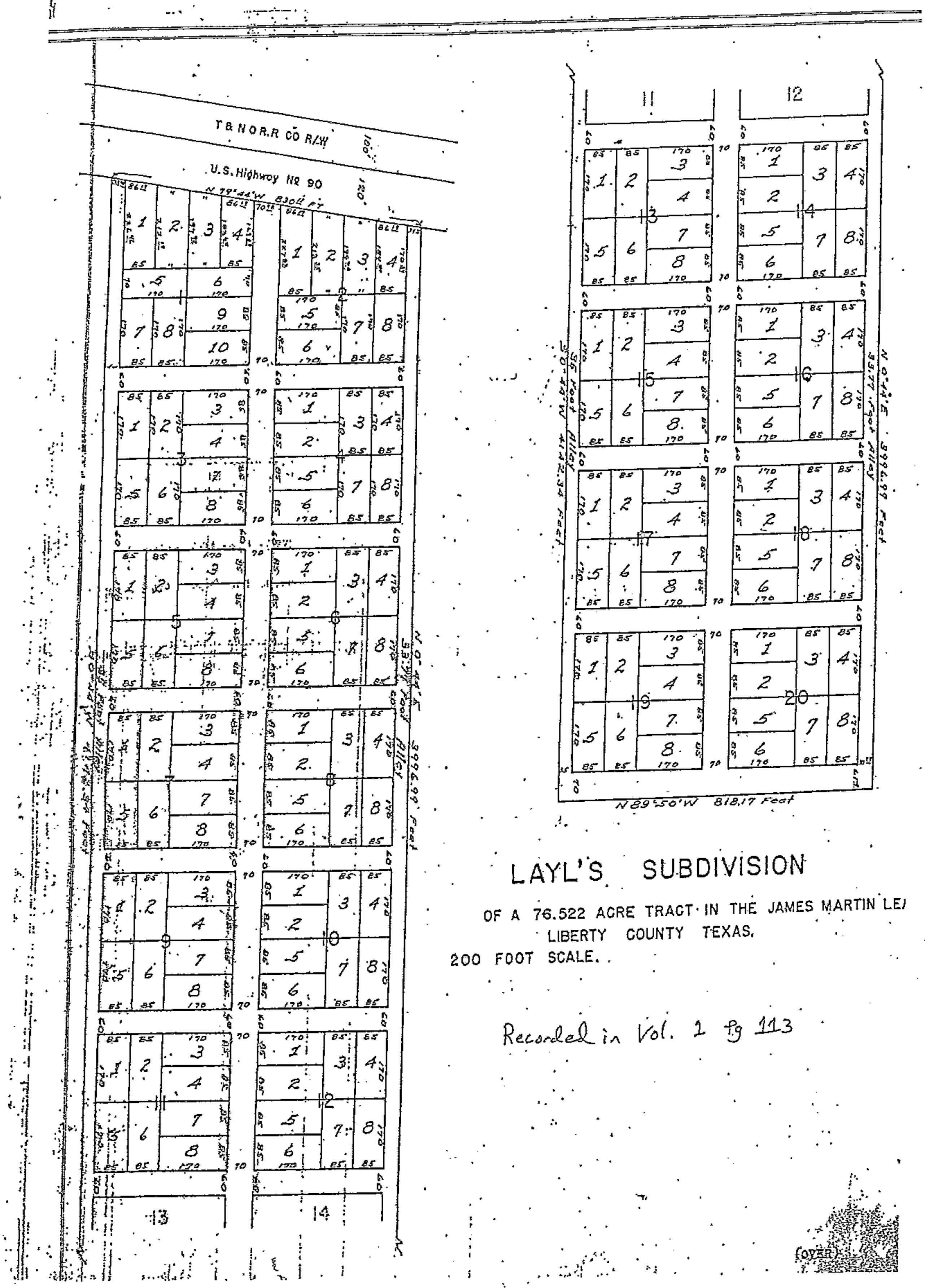
THENCE: South 0° 44' West a distance of 170.0 feet to a point for the Southwest corner of the tract herein described;

THENCE: South 89° 50' East a distance of 340.0 feet to a point for the Southeast corner of the tract herein described;

THENCE: North 0° 44' East a distance of 340.54 feet to the PLACE OF BEGINNING and containing 2.048 acres of land, more or less, and also being Lots Nos. 3, 4, 5, 6, 7, and 8, in Block 2 of Layl's Subdivision.

Attachment: Reinvestment Zone 2 attachments (ORD-2010-14 : Creating Reinvestment Zone 2)

Exhibit 2



Attachment: Reinvestment Zone 2 attachments (ORD-2010-14 : Creating Reinvestment Zone 2)

Exhibit 3

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zone as follows:

> The minimum capital costs of the project shall be $1,000,000, or annual payroll of at least $400,000, or the creation of twenty-five (25) new permanent, full-time jobs. However, any office or retail development which guarantees a minimum of 15 new jobs or at least $400,000 annual payroll may be considered for tax abatement.
>
> Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

Year	% OF ADDED VALUE TO BE ABATED
1	100%
2	66%
3	33%

Attachment: Reinvestment Zone 2 attachments (ORD-2010-14 : Creating Reinvestment Zone 2)

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Tax Abatement

RESOLUTION (ID # 1674)

DOC ID: 1674 A

Consider Approval of a Tax Abatement Agreement with Liberty Laxmi, Regarding Holiday Inn Express and Approve a Resolution Authorizing the Mayor to Execute Agreement.

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, INDICATING ITS INTENT TO ENTER INTO A TAX
ABATEMENT AGREEMENT WITH LIBERTY LAXMI, LLC

WHEREAS, the City Council of the City of Liberty desires to promote economic development and re-development within the City of Liberty;

WHEREAS, the City of Liberty is authorized to enter into Tax Abatement Agreements for commercial/industrial purposes as authorized in Chapter 312 of the Texas Tax Code, "Property Redevelopment and Tax Abatement Act" (The Act) after certain actions by the City are made pursuant to the Tax Code; and

WHEREAS, the City Council of the City of Liberty did previously approve and adopt Tax Abatement Guidelines and Criteria; and

WHEREAS, it appears to be in the best interest of the citizens of the City of Liberty to enter into a Tax Abatement agreement that will allow Liberty Laxmi, LLC to build and operate a Holiday Inn Express in Liberty, Texas;

NOW, THEREFORE, BE IT RESOLVED that through the adoption of this Resolution, the Mayor of the City of Liberty, Carl Pickett, is authorized to execute the Revised commercial/Industrial Tax Abatement Agreement as attached hereto.

PASSED AND APPROVED this 11th day of May, 2010.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____

Dianne Tidwell
City Secretary

TAX ABATEMENT AGREEMENT

STATE OF TEXAS

COUNTY OF LIBERTY

This instrument is an Abatement Agreement executed by and between the City of Liberty, Texas, and Liberty Laxmi, LLC. Its terms and conditions are supported by good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

RECITALS

1. The Texas Property Redevelopment and Tax Abatement Act and all amendments thereto ("Law") provide that the governing body of an incorporated City (such as the City of Liberty) has the power to create one or more Reinvestment Zones for the abatement of ad valorem taxes assessed against real and/or personal property provided that certain conditions as detailed in the law are met.

2. Liberty Laxmi, LLC ("Company") owns real property ("Real Property") and/or personal property ("Personal Property") located within the taxing jurisdiction of the City of Liberty ("City").

3. The City has designated by ordinance the real property as Reinvestment Zone No. 2 (two) ("Zone") eligible for the abatement of ad valorem taxes assessed against the real property or certain tangible personal property located thereon. The Ordinance creating the Zone is included as Exhibits A with Exhibit A-1 describing and depicting the Zone. By virtue of the City following the requirements of the Law in creating the Zone, the City and Company now exercise their rights to enter into this instrument, the terms and conditions of which are detailed below and, with the Exhibits, constitute the full and complete agreement ("Agreement") between the City and Company concerning the abatement of ad valorem taxes assessed against the real property and personal property within the Zone and otherwise payable to the City.

TERMS AND CONDITIONS

1. The first year of Tax Abatement under this Agreement shall be the year following the year in which it is executed unless otherwise noted. All

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

valuations are determined by the Liberty County Central Appraisal District as of January 1st of each year.

2. The percentage of abatement on properties covered are described in Exhibit B attached hereto and made a part hereof.

3. Company will construct within the Zone improvements and/or purchase certain tangible personal property, for use as a hotel. Company will spend approximately $3,500,000.00 on structural costs and $1,000,000.00 on personal property.

   Company will create a minimum of 8 new full time jobs with health insurance and other benefits in the City of Liberty by December 31, 2010. Pay for newly created full time jobs shall be at least at the prevailing wage for similar jobs in the County and State.

4. A list of the kind, number and location of all proposed improvements constituting the Facilities are attached to this Agreement as Exhibit C. Employees and/or designated representatives of the City will have access to the Zone during the term of this Agreement to inspect the Facilities to determine if the terms and conditions of the Agreement are being met. All inspections will be made during normal business hours and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the Facilities. All inspections will be made with one or more representatives of Company, and in accordance with its safety standards.

5. The use of the real property and/or personal property is limited to those uses consistent with the general purpose of encouraging development or redevelopment of the Zone during the period that the Property Tax Abatements are in effect. Company will declare the real property to be the tax situs of the personal property and will render both the real property and the personal property with Liberty County Central Appraisal District during each year this agreement is in effect.

6. In the event that company (a) allows its ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protests and/or contests; or fails to cure during the Cure Period (as hereafter provided), or (b) violates any of the terms and conditions of this Agreement by failing to make the improvements and repairs or renditions as provided by this Agreement, this Agreement then may be terminated by the City, and all taxes otherwise abated by virtue of this Agreement will be recaptured and paid to the City by Company within sixty (60) days of the termination. As an alternative, the City may in its discretion, not declare the Agreement terminated, but it must certify to

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Liberty County Central Appraisal District that the company has failed to qualify for an abatement for that tax year.

7. In the event that the Facilities are completed and Company begins operations, but subsequently discontinues operations for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one year during the abatement period, then this Agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the Facility no longer operates. The taxes otherwise abated for that calendar year shall be paid to City within sixty (60) days from the date of the termination.

8. Company must annually, on or before February 15th of each year, certify to the City Council that it is in compliance with the terms of this Agreement as of January 1st of that year.

9. Should the City determine that company is in default in the terms and conditions of this Contract, then the City shall notify Company at the address stated below of such claimed default, and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), this Agreement may be terminated by the City. Any notice of default shall be in writing and shall be given by personal delivery or by certified mail, return receipt requested. In the event the notice is effected by personal delivery, the date and hour of actual delivery shall be the time and date of such notice to Company. Absent a postal strike or other stoppage of the mails, in the event of delivery of notice by registered or certified United States mail, the date and hour following 48 hours after the date and hour at which the sealed envelope containing the notice is deposited in the United States mail, properly addressed, and with postage prepaid, shall be the time and date of such notice to Company.

10. This Agreement is made subject to all conditions, prohibitions, obligations, acts of default, termination, reimbursement and recapture contained in Section 312.204 of the Property Redevelopment and Tax Abatement Act, a copy of which is marked Exhibit D attached hereto and made a part hereof.

11. All notices required or contemplated by this Agreement shall be addressed as follows:

If to Company, then to: Liberty Laxmi LLC, 3032 Colony Blvd., Leesville, LA 71446.

If to the City, then to 1829 Sam Houston, Liberty, Texas, 77575, Attention: Mayor of the City of Liberty, Texas.

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

12. The terms and conditions of this Agreement are binding upon the successors and assigns of both parties hereto. This Agreement cannot be assigned by company unless permission is first granted by the City, in its sole discretion.

13. This Agreement was approved by the affirmative vote of a majority of the members of the governing body of the City Council of the City of Liberty at a regularly scheduled meeting on the 11th day of May, 2010, and Carl Pickett, Mayor, was authorized to sign on behalf of the City of Liberty, Texas.

14. This Agreement was authorized by Company, and ________________ of Company was authorized to sign on its behalf.

15. This Agreement is performable in Liberty County, Texas.

16. All values used shall be established by Liberty County Central Appraisal District.

17. The current taxable value of the property of Company in the Zone is:

Real property	$ 117,760
Total Base Value	$ 117,760

NOTE: Values will be confirmed by Liberty County Central Appraisal District prior to execution of Agreement.

18. The City of Liberty hereby exempts from ad valorem real and personal property taxation for the term set forth, the value in the Zone in excess of that stated in (2) above, in accordance with Tax Abatement Agreement Exhibit B, Tax Abatement Schedule.

19. The term of the exemption will be for a period of three (3) years, beginning January 1, 2011. After the term expires, the full value of the improvements shall be included on the tax roll and assessed appropriately, and this Agreement shall terminate.

20. The company shall, within the term of this Agreement, construct or cause to be constructed upon Company's property in the Zone certain improvements and/or repairs as set forth in Exhibit C of this Agreement. Such Exhibit lists the kind, number and location of all proposed improvements and/or repairs to the property of Company in the Zone. Make, model and serial number of tangible personal property should be listed when known. However, it is the intent of the City to abate taxes on all improvements and additions in excess of the base value, regardless of whether itemized on Exhibits C.

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

21. The company agrees to build improvements in accordance with all applicable laws, ordinances, codes, rules, requirements or regulations of the City and any subdivision, agency, or authority thereof, and prior to commencing shall secure all permits, licenses and authorization required.

22. Upon completion and inspection by the City of the improvements specified in this Agreement, Company and City shall execute a Certificate of Compliance. A copy of this shall be sent to each taxing entity involved, the company and to the Liberty County Central Appraisal District.

23. Should company fail to make the improvements and/or repairs and/or personal property purchases as provided in this Agreement, then all real and personal property tax revenue lost by the City of Liberty from Company's property in the Zone due to this Agreement shall be forthwith paid to the City of Liberty by Company, and this Agreement shall become void.

WITNESS OUR HANDS, this _____ day of May, 2010.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

Liberty Laxmi, LLC
"Company"

By
____

Title
____

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit A

ORDINANCE NO. _______

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, DESIGNATING A CERTAIN AREA AS A COMMERCIAL/INDUSTRIAL TAX ABATEMENT ZONE IN THE CITY OF LIBERTY, TEXAS; TO BE KNOWN AS REINVESTMENT ZONE NO. 2; ESTABLISHING THE BOUNDARIES THEREOF; PROVIDING FOR AN EFFECTIVE DATE; AND DISPENSING WITH SECTION 3.10 OF THE HOME RULE CHARTER THAT ORDINANCES BE READ ON TWO SEPARATE DAYS.

WHEREAS, the City Council of the City of Liberty, Texas, (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the "Act"); and

WHEREAS, a hearing before the City Council was set for 6:00 p.m. on the 13th day of April 2010, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Liberty; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Liberty County and Liberty Independent School District as required by the Act; and

WHEREAS, upon such hearing being convened there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone. The boundaries of the proposed Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit "1" and depicted in the drawing attached hereto as Exhibit "2", should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone and all other taxing units and other interested persons were given the opportunity at such published hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment Zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, that it will be of general benefit to the City of Liberty and that it will be in the public interest to pass this Ordinance creating a Reinvestment Zone.

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

SECTION 1: That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2: The City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

(a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.

(b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone pursuant to the Act; and

(c) That creation of the proposed Zone with boundaries as described herein will result in benefits to the City, its residents and property owners and to the property, residents and property owners in the Reinvestment Zone.

(d) That the Reinvestment Zone, as defined herein in Exhibits 1 and 2, meets the criteria for the creation of a Reinvestment Zone as set forth in Chapter 312.202 of the Act in that:

(1) It is a contiguous geographic area located wholly within the corporate limits of the City.

(2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment, or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.

(3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or town or by a member of zoning or planning board or commission of the City.

(4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

SECTION 3: That the City hereby creates a Reinvestment Zone over the area described by the description attached hereto and depicted in a drawing attached hereto and such Reinvestment Zone shall hereafter be identified as the Commercial/Industrial Reinvestment Zone, Number Two (2), City of Liberty, Texas, (the "Zone").

SECTION 4: That operation of the Zone shall commence on ________________, 20_____, for a period of three years.

SECTION 5: That a written agreement as provided in the Act, with the owners of the property located within the Reinvestment Zone is hereby authorized according to the schedule and term outlined in Exhibit 3, and the written agreement shall provide an exemption from taxation the increased value of the real and/or personal property according to that schedule.

SECTION 6: That if any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7: That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 8: That the contents of the notice of public hearing, which hearing was held before the City Council on April 13, 2010, and the publication of said notices, are hereby ratified, approved and confirmed.

SECTION 9: 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 days is hereby dispensed with.

SECTION 10: This Ordinance shall be in full force and effect from and after the date of its passage.

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

PASSED, APPROVED AND ADOPTED on the ______ day of ________________,

2010.

CITY OF LIBERTY

____

Carl Pickett

Mayor

ATTEST:

____

Dianne Tidwell

City Secretary

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit 1

Field notes of a 2.048 acre tract of land out of Layl's Subdivision, a 76.522 acre tract in the James Martin League, Liberty County, Texas, a plat of said subdivision being of record in Volume 1, page 113, Map Records of Liberty County, Texas.

BEGINNING at a point for the Northeast corner of the said Layl's Subdivision, said point also being located in the South right of way line of U. S. Highway 90 as situated in the said plat of Layl's Subdivision;

THENCE: North 79° 44' West a distance of 34 feet to a point for the Northeast corner and PLACE OF BEGINNING for the tract herein described;

THENCE: continuing North 79° 44' West a distance of 172.38 feet to a point for the most Northerly Northwest corner of the tract herein described;

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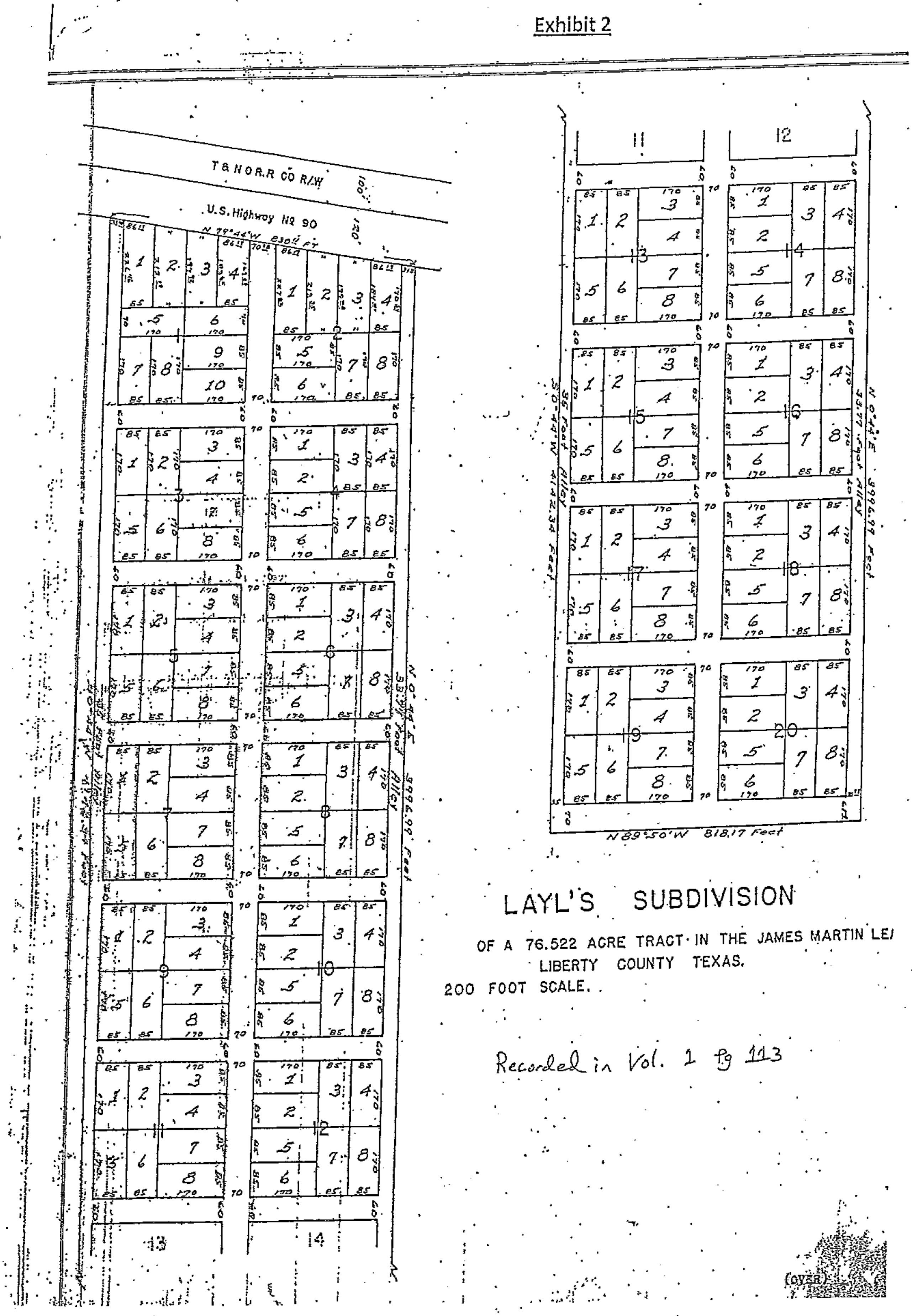
THENCE: South 89° 50' East a distance of 340.0 feet to a point for the Southeast corner of the tract herein described;

THENCE: North 0° 44' East a distance of 340.54 feet to the PLACE OF BEGINNING and containing 2.048 acres of land, more or less, and also being Lots Nos. 3, 4, 5, 6, 7, and 8, in Block 2 of Layl's Subdivision.

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit 2



LAYL'S SUBDIVISION

OF A 76.522 ACRE TRACT IN THE JAMES MARTIN LE/
LIBERTY COUNTY TEXAS.
200 FOOT SCALE.

Recorded in Vol. 1 Pg 113

(over)

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit 3

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

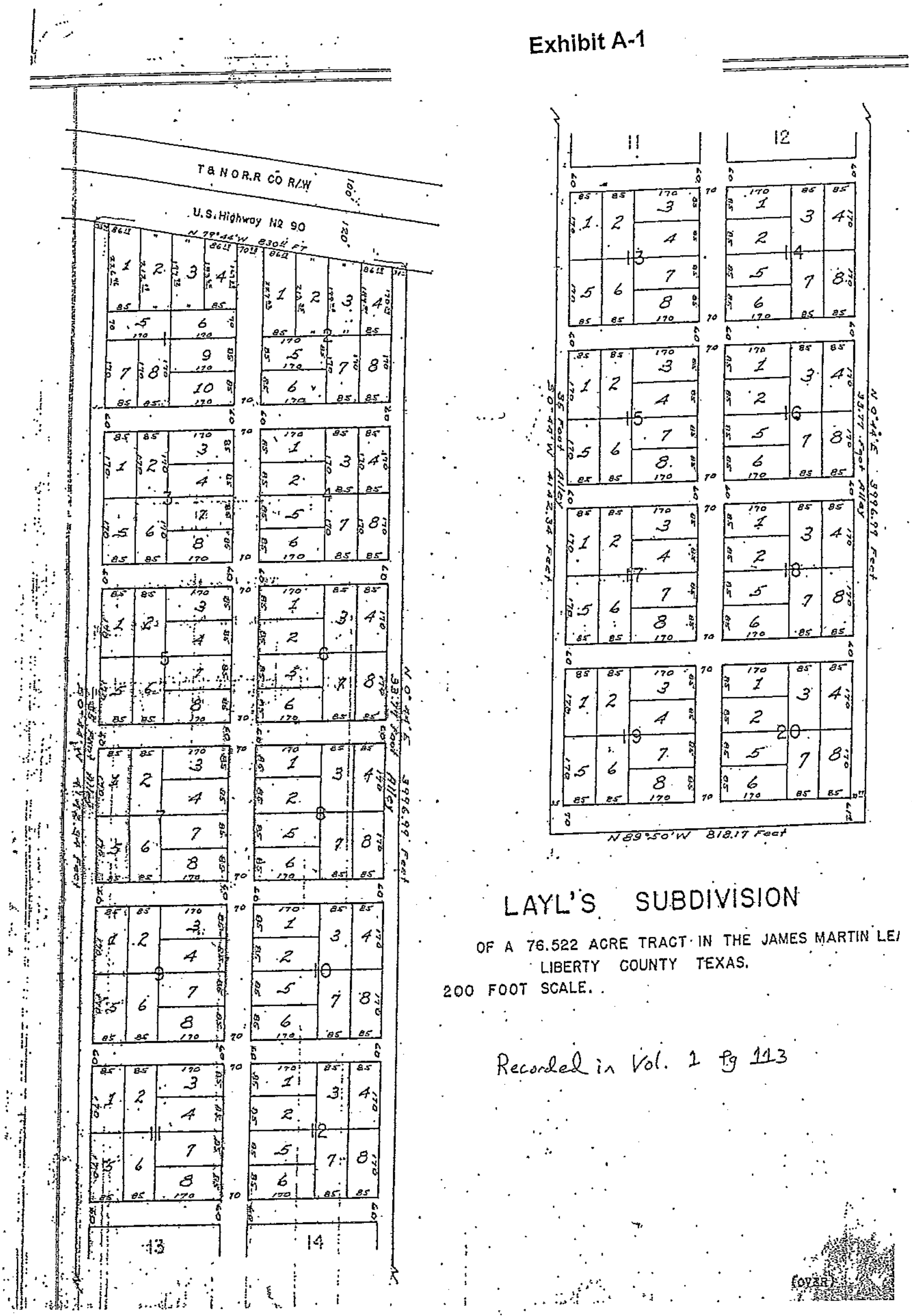
The City agrees to abate ad valorem taxes on real and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zone as follows:

> The minimum capital costs of the project shall be $1,000,000, or annual payroll of at least $400,000, or the creation of twenty-five (25) new permanent, full-time jobs. However, any office or retail development which guarantees a minimum of 15 new jobs or at least $400,000 annual payroll may be considered for tax abatement.
>
> Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

Year	% OF ADDED VALUE TO BE ABATED
1	100%
2	66%
3	33%

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit A-1



LAYL'S SUBDIVISION

OF A 76.522 ACRE TRACT IN THE JAMES MARTIN LE/
LIBERTY COUNTY TEXAS.
200 FOOT SCALE.

Recorded in Vol. 1 Pg 113

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit B Tax Abatement Schedule

TAX ABATEMENT SCHEDULE

The tax abatement policy of the City of Liberty reflects a balance between the revenue needs of local government and the desire to provide incentives for the expansion and relocation of industry.

The City agrees to abate ad valorem taxes on real and personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zone as follows:

The minimum capital costs of the project shall be $1,000,000, or annual payroll of at least $400,000, or the creation of twenty-five (25) new permanent, full-time jobs. However, any office or retail development which guarantees a minimum of 15 new jobs or at least $400,000 annual payroll may be considered for tax abatement.

Personal Property is limited to manufacturing equipment and cost must equal $200,000.00 minimum.

Year	% OF ADDED VALUE TO BE ABATED
1	100%
2	66%
3	33%

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit C

IMPROVEMENTS

Liberty Laxmi LLC will construct a hotel, namely a Holiday Inn Express, in Liberty, Texas on Reinvestment Zone number two. This hotel shall have 72 rooms and be three stories tall.

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

Exhibit D

Section 312.204 of the Property Redevelopment and Tax Abatement Act

§ 312.204. MUNICIPAL TAX ABATEMENT AGREEMENT. (a) The governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner of taxable real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation a portion of the value of the real property or of tangible personal property located on the real property, or both, for a period not to exceed 10 years, on the condition that the owner of the property make specific improvements or repairs to the property. The governing body of an eligible municipality may agree in writing with the owner of a leasehold interest in tax-exempt real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt a portion of the value of property subject to ad valorem taxation, including the leasehold interest, improvements, or tangible personal property located on the real property, for a period not to exceed 10 years, on the condition that the owner of the leasehold interest make specific improvements or repairs to the real property. A tax abatement agreement under this section is subject to the rights of holders of outstanding bonds of the municipality. An agreement exempting taxable real property or leasehold interests or improvements on tax-exempt real property may provide for the exemption of such taxable interests in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement exempting tangible personal property located on taxable or tax-exempt real property may provide for the exemption of tangible personal property located on the real property in each year covered by the agreement other than tangible personal property that was located on the real

Attachment: Holiday Inn Tax Abatement Agmnt (RES-2010-8 : ResolutionTax Abatement)

property at any time before the period covered by the agreement with the municipality, including inventory and supplies. In a municipality that has a comprehensive zoning ordinance, an improvement, repair, development, or redevelopment taking place under an agreement under this section must conform to the comprehensive zoning ordinance.

(b) The agreements made with the owners of property in a reinvestment zone must contain identical terms for the portion of the value of the property that is to be exempt and the duration of the exemption. For purposes of this subsection, if agreements made with the owners of property in a reinvestment zone before September 1, 1989, exceed 10 years in duration, agreements made with owners of property in the zone on or after that date must have a duration of 10 years.

(c) The property subject to an agreement made under this section may be located in the extraterritorial jurisdiction of the municipality. In that event, the agreement applies to taxes of the municipality if the municipality annexes the property during the period specified in the agreement.

(d) Except as otherwise provided by this subsection, property that is in a reinvestment zone and that is owned or leased by a person who is a member of the governing body of the municipality or a member of a zoning or planning board or commission of the municipality is excluded from property tax abatement or tax increment financing. Property that is subject to a tax abatement agreement in effect when the person becomes a member of the governing body or of the zoning or planning board or commission does not cease to be eligible for property tax abatement under that agreement because of the person's membership on the governing body, board, or commission. Property that is subject to tax increment financing when the person becomes a member of the governing body or of the zoning or planning board or commission does not become ineligible for tax increment financing in the same reinvestment zone because of the person's membership on the governing body, board, or commission.

(e) The governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner or lessee of real property that is located in a reinvestment zone to exempt from taxation for a period not to exceed 10 years a portion of the value of the real property or of personal property, or both, located within the zone and owned or leased by a certificated air carrier, on the condition that the certificated air carrier make specific real property improvements or lease for a term of 10 years or more real property improvements located within the reinvestment zone. An agreement may provide for the exemption of the real property in each year covered by the agreement to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement may provide for the exemption of the personal property owned or leased by a certificated air carrier located within the reinvestment zone in each year covered by the agreement other than specific personal property that was located within the reinvestment zone at any time before the period covered by the agreement with the municipality.

(f) The agreements made with owners of property in an enterprise zone that is also designated as a reinvestment zone are not required to contain identical terms for the portion of the value of property that is to be exempt and the duration of the agreement.

(g) Notwithstanding the other provisions of this chapter, the governing body of a municipality eligible to enter into tax abatement agreements under Section 312.002 may agree in writing with the owner of real property that is located in a reinvestment zone to exempt from taxation for a period not to exceed five years a portion of the value of the real property or of tangible personal property located on the real property, or both, that is used to provide housing for military personnel employed at a military facility located in or near the municipality. An agreement may

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provide for the exemption of the real property in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed. An agreement may provide for the exemption of tangible personal property located on the real property in each year covered by the agreement other than tangible personal property that was located on the real property at any time before the period covered by the agreement with the municipality and other than inventory or supplies. The governing body of the municipality may adopt guidelines and criteria for tax abatement agreements entered into under this subsection that are different from the guidelines and criteria that apply to tax abatement agreements entered into under another provision of this section. Tax abatement agreements entered into under this subsection are not required to contain identical terms for the portion of the value of the property that is to be exempt or for the duration of the exemption as tax abatement agreements entered into with the owners of property in the reinvestment zone under another provision of this section.

(h) The Texas Department of Economic Development or its successor may recommend that a taxing unit enter into a tax abatement agreement with a person under this chapter. In determining whether to enter into a tax abatement agreement under this section, the governing body of a municipality shall consider any recommendation made by the Texas Department of Economic Development or its successor.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Srmpa

COUNCIL ACTION (ID # 1675)

DOC ID: 1675

Consider Extension of the Substation Lease from the Sam Rayburn Municipal Power Agency.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: Srmpa

COUNCIL ACTION (ID # 1676)

DOC ID: 1676

Consider a Substation Lease Amendment from the Sam Rayburn Municipal Power Agency.

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

Meeting: 05/11/10 06:00 PM

Department: Administration
Category: City Manager Evaluations

COUNCIL ACTION (ID # 1672)

DOC ID: 1672

Consider Any Action, as Discussed in the Executive Session, Regarding the City Manager's 6-Month Evaluation.

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